

TARPON
INVESTIMENTOS

1Q12 EARNINGS RESULTS

May 10th, 2012

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1Q12 highlights

1Q12
Results

AUM

Assets under management (“AuM”) amounted to R\$7.5 billion as of March 31st 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

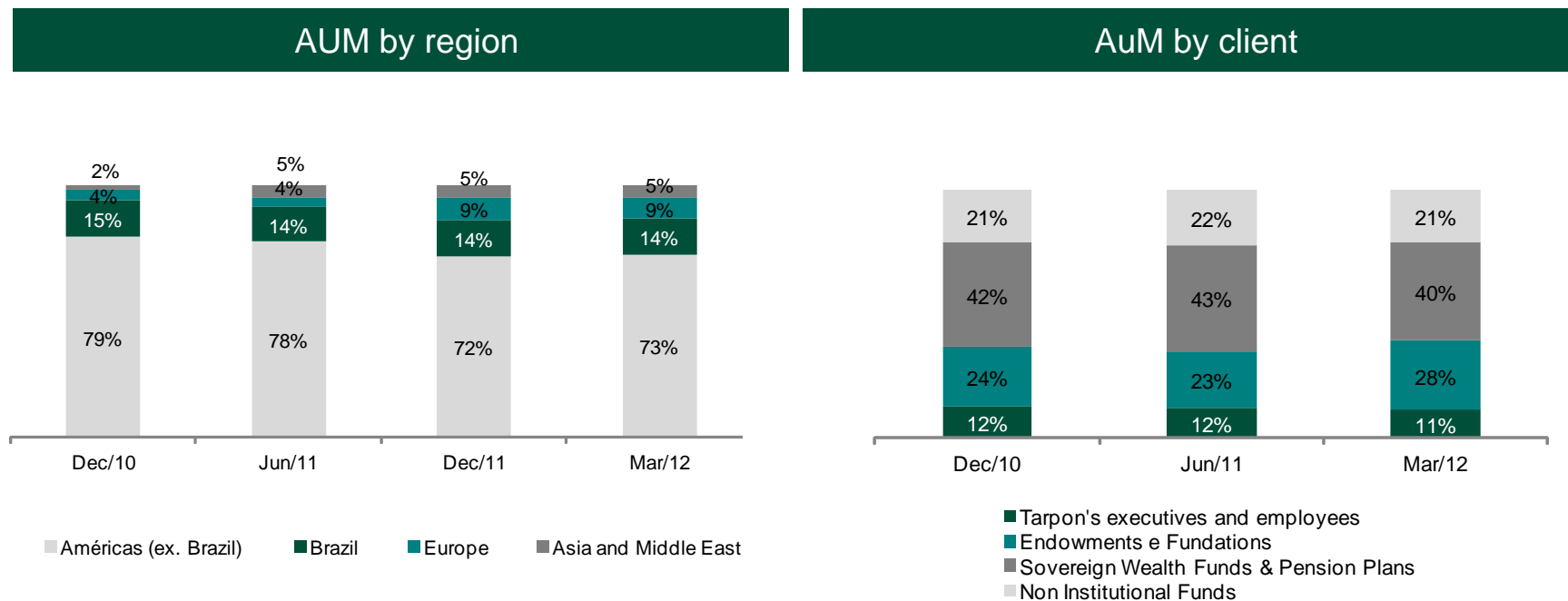
Gross revenues related to our fee business: R\$27.6 million as of March 31st 2012 (+31% over 4Q11)

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 31st, 2012.



Investment strategy

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

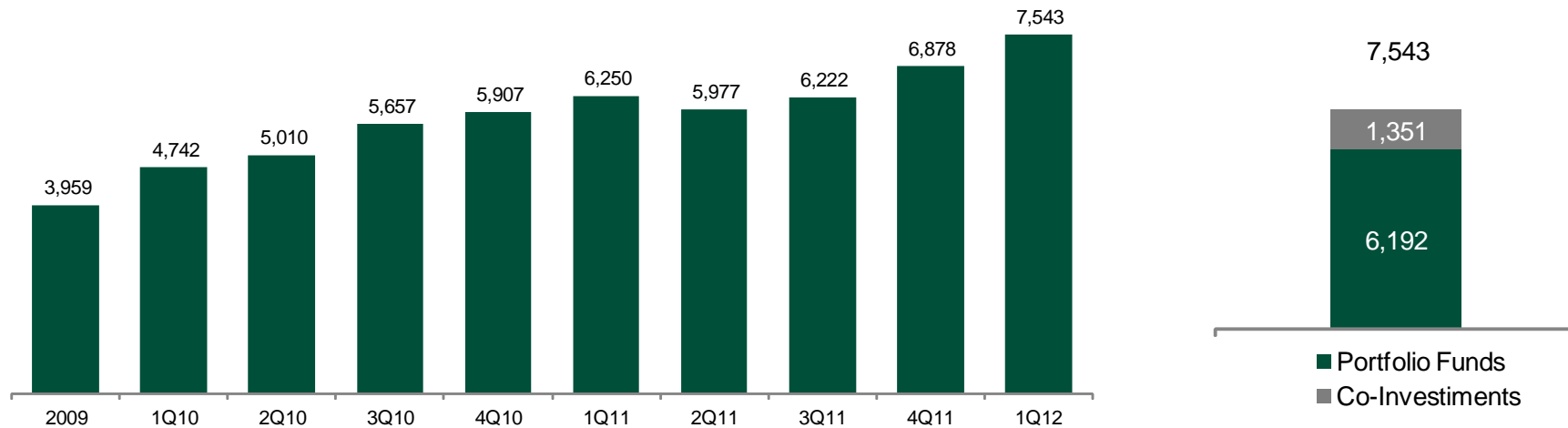
The Co-investment strategy serves as a sidecar/co-investment structure whose primary objective is to increase Tarpon's exposure to selected invested companies.

Launched in Mar/2010

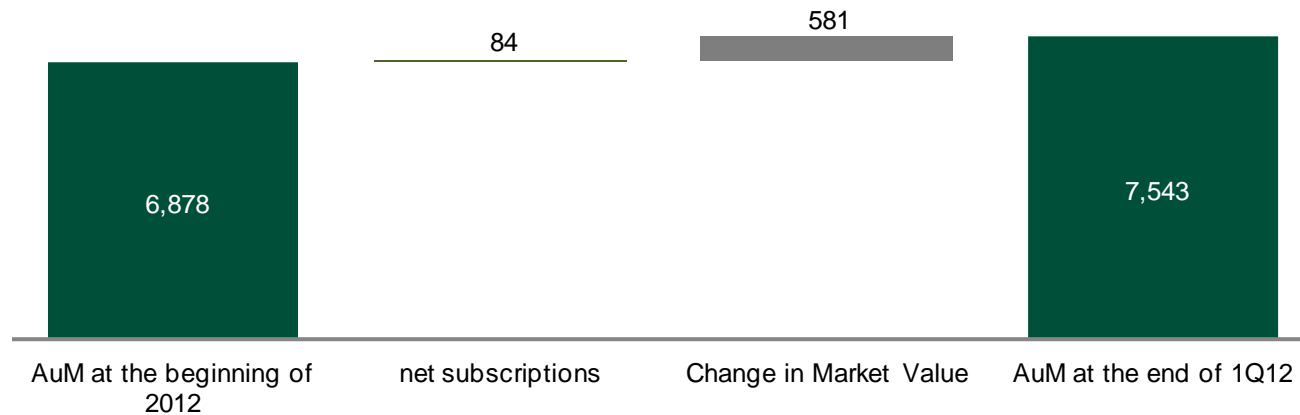
Assets under Management

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Total Historical AuM - R\$ million



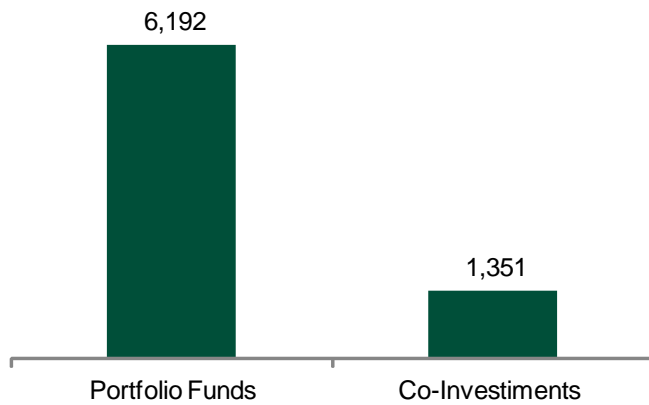
AuM growth: performance & net commitments - R\$ million



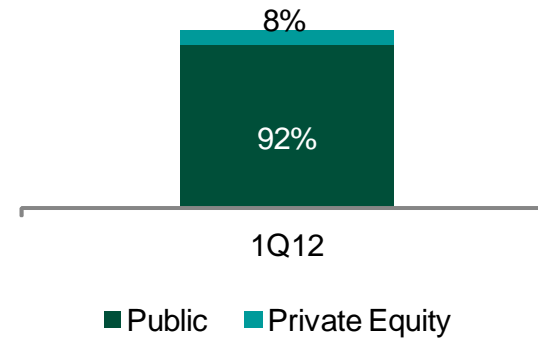
AuM by investment strategy & asset class

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AuM by investment strategy - R\$ million



AuM by asset class



Tarpon Funds' performance

1Q12
Results

Strategy	Inception	Performance ^{(1) (2)}				Since launch (annualized)
		1Q12	2012	2 years	5 years	
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%	

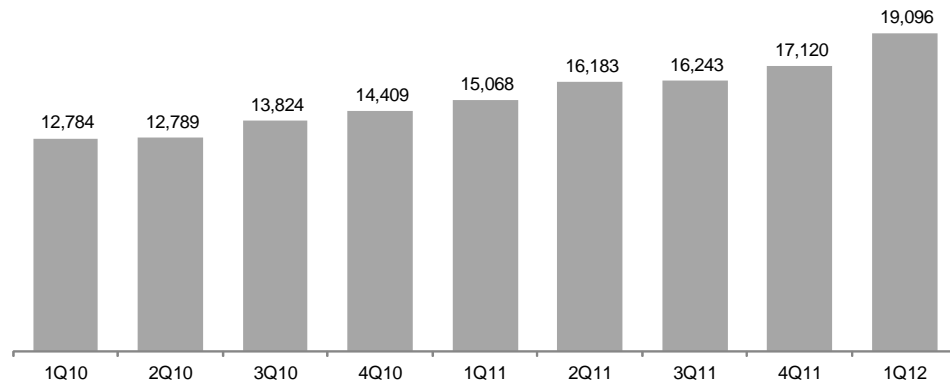
(1) - Performance net of fees.

(2) - Performance up to March 31st, 2012.

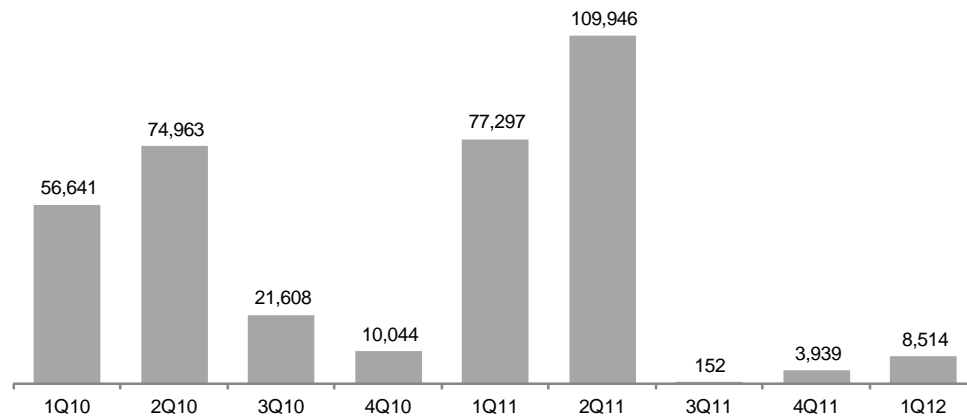
Financial highlights – R\$ million

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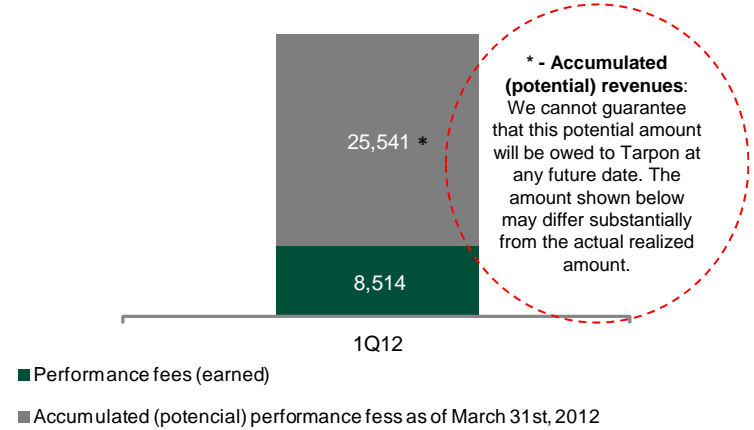
Revenues related to management fees



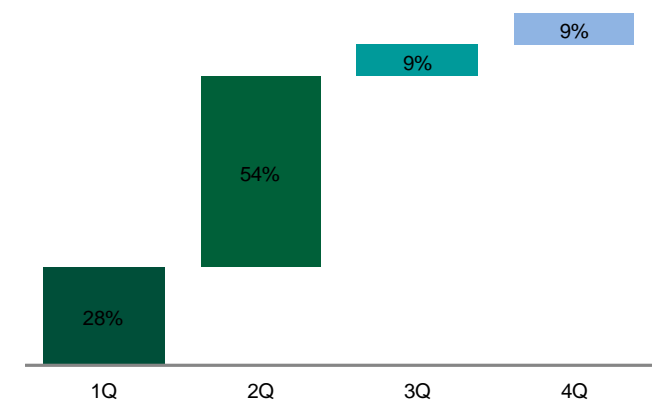
Revenues related to performance fees



Potential performance revenues

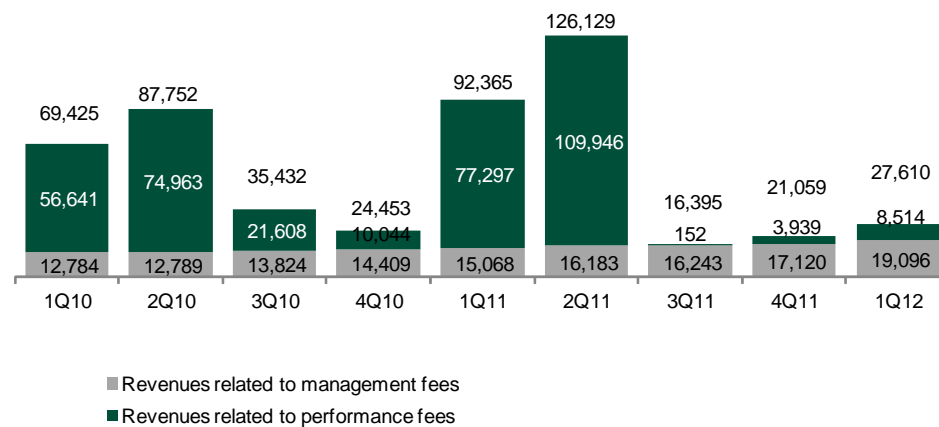


Fee Payment Schedule

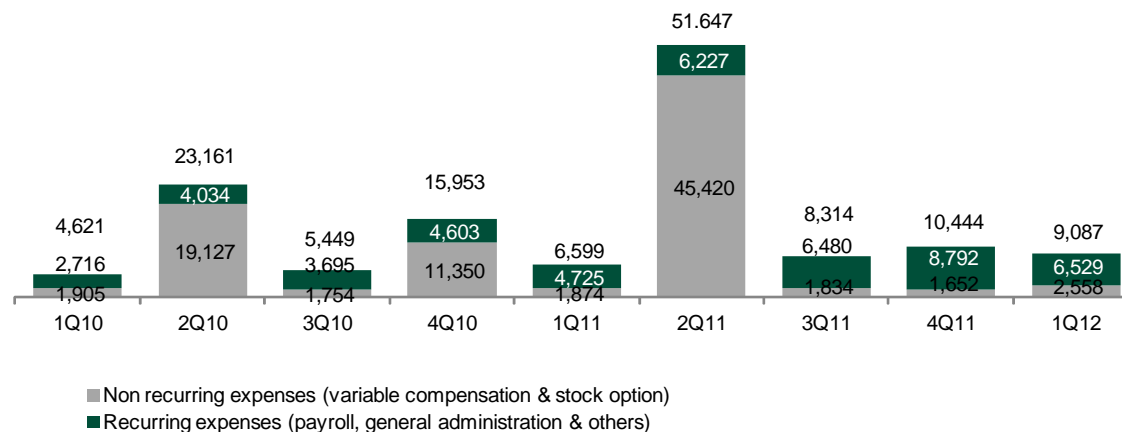


Financial highlights – R\$ million

Total revenues



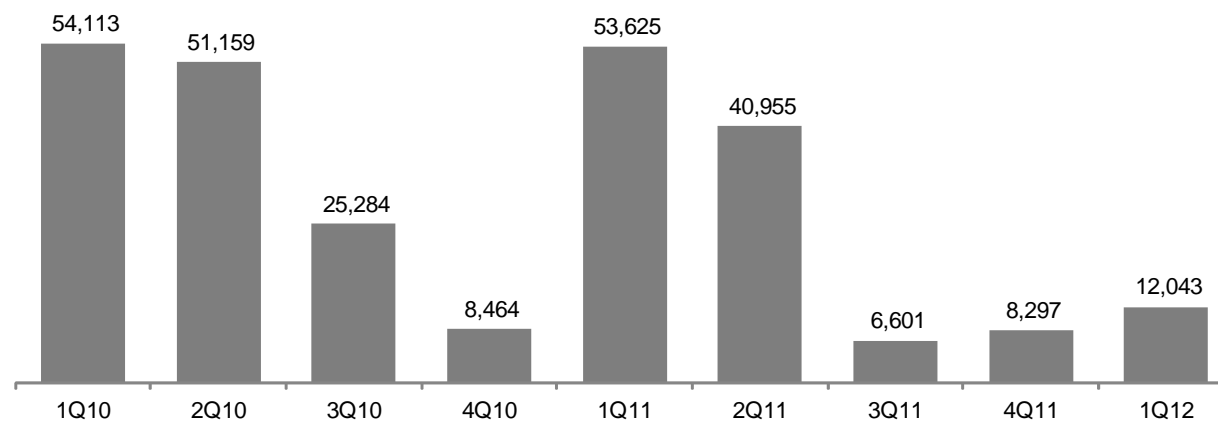
Total operating expenses



Financial highlights – R\$ million

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Net income



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Appendix

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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

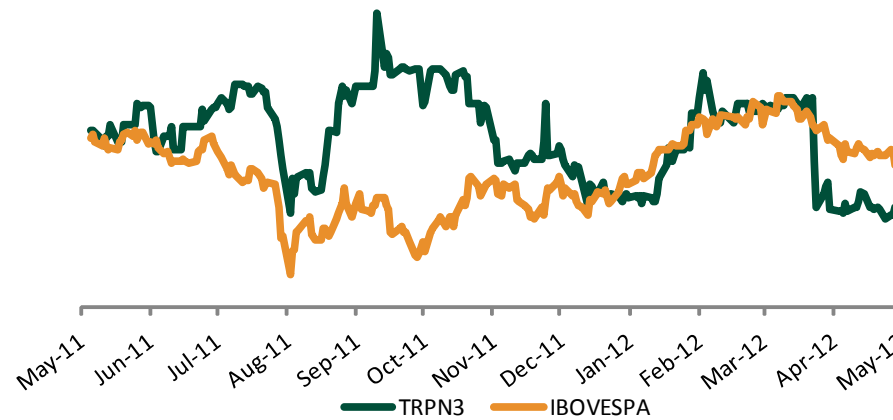
Market Cap: R\$647.1 million

Share Performance:

1Q12: -2.43%

YTD (May 7th): -2.01%

LTM: -12.54%



Income statement

1Q12
Results

<i>In R\$'000</i>	1Q12	1Q11
Net revenues	26,334	87,260
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	-	
Results from operating activities	17,247	80,661
Financial income / (expense)	1,808	1,525
Profit before income tax	19,055	82,186
Income tax and social contribution	(7,013)	(28,561)
Net income	12,043	53,625

Cash Flow

1Q12
Results

<i>In R\$'000</i>	1Q12	1Q11
Net income	12,043	53,625
Depreciation	122	67
Stock Option plan	1,831	1,874
Adjusted net income	13,996	55,566
Working capital	(29,481)	17,109
Trade receivables	(5,356)	(67,053)
Net cash provided by (used in) operating activities	(20,841)	5,622
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
Net cash provided by (used in) financing activities	21,617	(5,834)
Net increase (decrease) in cash and cash equivalents	776	(212)
Cash and cash equivalents at the beginning of the quarter/year	479	294
Cash and cash equivalents at the end of Quarter	1,255	82

Balance Sheet

1Q12
Results

<i>In R\$'000</i>	2012	2011	<i>In R\$'000</i>	2012	2011
Assets			Current liabilities		
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
Total current assets	73,427	124,422	Total current liabilities	10,624	75,376
Property, plants and equipments	2,294	2,253	Accounts payable	143	191
Total non-current assets	2,294	2,253	Total non-current liabilities	143	191
Total assets	75,721	126,675	Equity		
			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	-
			Total equity	64,954	51,108
			Total equity and liabilities	75,721	126,675

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

Contact Details

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