Tarpon Investimentos S.A.

Individual and consolidated interim financial statements at September 30, 2013

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Management report

Market Context

Investment funds under our management invest in companies listed in stock exchange and also in private equity funds.

The São Paulo Stock Exchange Index (Ibovespa), the main indicator of the performance of shares traded in the São Paulo Commodities, Futures and Stock Exchange (BM&F Bovespa), closed the third quarter of 2013 with a valuation of 10,29%. The bag finally showed a recovery - had accumulated drop of more than 22% this year - and the movement occurred by technical factors such as short covering, since the cost of the rental stock increased exorbitantly. We had also satisfying solutions for some of the greatest global concerns. FOMC (the committee responsible for defining US monetary policy) brought relief to investors by deciding not to withdraw monetary incentives, and a diplomatic solution avoided US military intervention in Syria. In the same period, North-American indices S&P 500, Dow Jones and Nasdaq rose 4.69%, 1.48% and 10.82%, respectively, and the London stock exchange index - FTSE appreciated 3.97%.

In case of companies listed in BM&F Bovespa, which represent the majority of funds portfolio managed by Tarpon, we observed that BRF and Gerdau share prices increased, while Marisa's shares decreased significantly.

Corporate Governance

Tarpon shares are traded in the New Market of BM&FBOVESPA under ticker TRPN3.

Investor Relations - IR

Shareholders, investors and market analysts have at their disposal information available in RI Companhia website (www.tarpon.com.br). For further information, contact directly the RI Department through email (RI@tarpon.com.br) or through a telephone call: (5511) 3074 5800.

Independent Audit

The audit work involved in the examination of the financial statements for the quarter ended September 30, 2013 was carried out by KPMG Auditores Independentes. Company's policies in the engagement of services not related to the external audit at its independent auditors aim to ensure that there is no conflict of interests, loss of independence or objectivity.

During the quarter/nine-month period ended September 30, 2013 no services were rendered to Tarpon by its independent auditors, other than those related to the Review of Financial Statements.

Commitment clause

Tarpon Investimentos S.A. is bound to arbitration at the Market's Arbitration Chamber, as per the arbitration clause in its Bylaws.

About Tarpon Investimentos

We are dedicated to value-oriented investments in public and private equities. Our goal is to provide, in the long-run, above-average absolute returns.

Our investment philosophy is supported by six tenets:

Focus on intrinsic value
We look for investment opportunities that may provide significant value in the long term, with market prices reflecting a substantial discount to our perceived intrinsic value.

Portfolio concentration
We believe in portfolio concentration, which allows each invested company to have a meaningful impact on the overall performance and allows us to obtain a deeper understanding of each company.

Contrarian approach
We look for investment opportunities that are not evident and that are generally overlooked by the market. We aim to develop an independent view from market consensus.

High Conviction
We seek to implement a disciplined investment process that allows us to have a high degree of conviction related to our investment decisions.

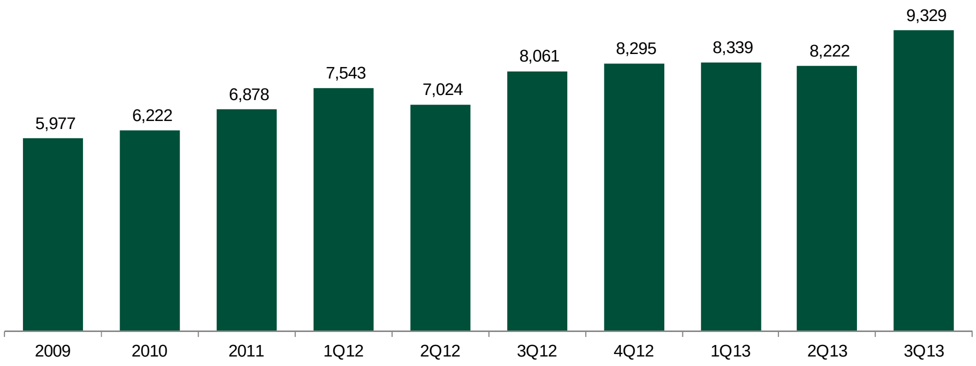
Long-term perspective
We believe that a long-term owner perspective is essential to maximize potential returns of each investment opportunity.

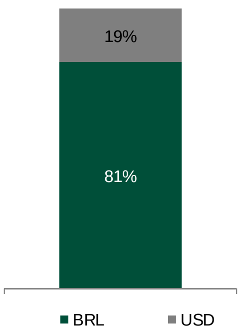
Value Creation
We often seek to develop a positive value creation agenda together with our invested companies.

Assets under management

Our assets under management ("AuM") amounted to R$9.3 billion as of September 30th 2013, an increase of 13% when compared to R$8.2 billion AuM as of June 30th 2013 and an increase of 16% when compared to the third quarter of 2012.

Total AuM historical growth - R$ million

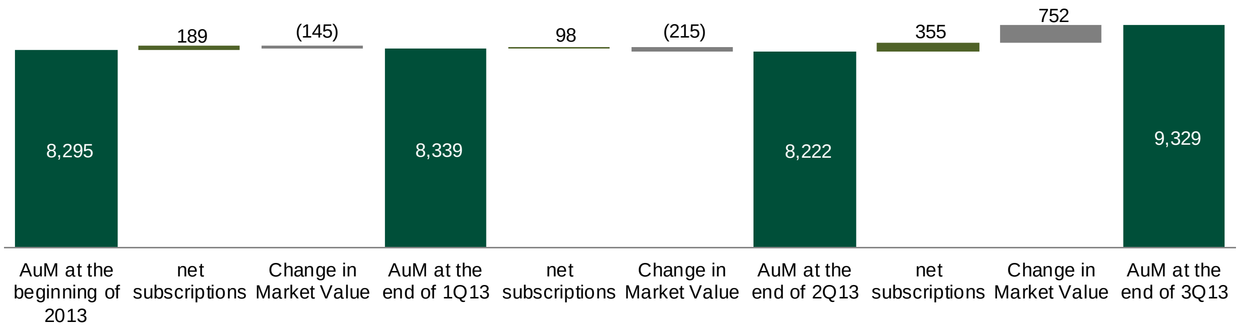




As indicated in the right chart, 81% of our AuM are denominated in Brazilian Reais (BRL) and 19% in USD.

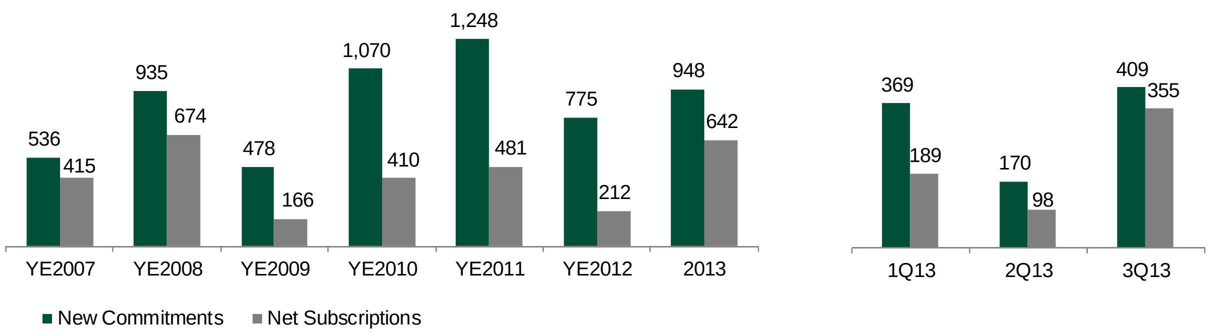
The AuM in the quarter reflected the impact of R$ 355 million of net subscriptions and R$ 752 million increase in market value of the Portfolio Funds (including changes in asset prices and exchange rates).

AuM growth - R$ million



New subscriptions: the Tarpon Funds received net subscriptions (new subscriptions (including uncalled committed capital) net of redemptions paid in the quarter) in the amount of R$355 million during the quarter and R$ 642 million during the year.

Commitments - R$ million



Investment Strategy

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

Portfolio Funds
(Public and private equity investments)

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

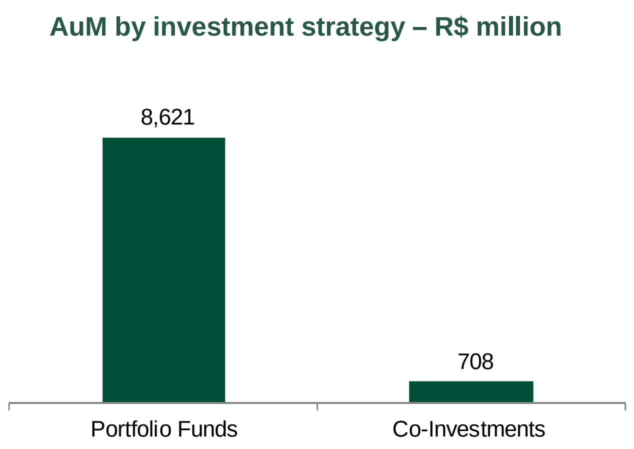
As of September 30th 2013, the AuM allocated to this strategy amounted to R$8.6 billion.

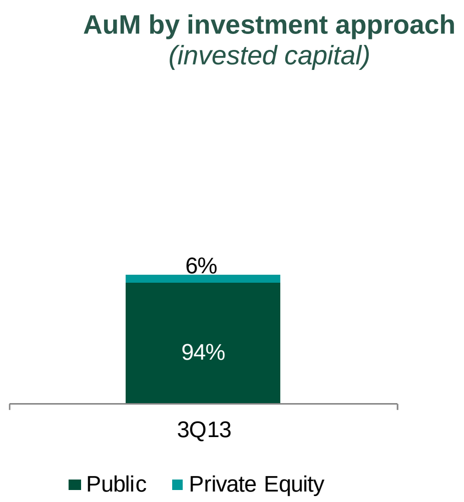
Co-Investment Strategy
(Public and private equity investments)

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

As of September 30th 2013, the AuM allocated to the co-investment strategy amounted to R$ 708 million.

As indicated in the chart below, public-equity allocation accounted for 94% of our total invested capital. Private-equity investments, at fair value, accounted for the remaining 6%.



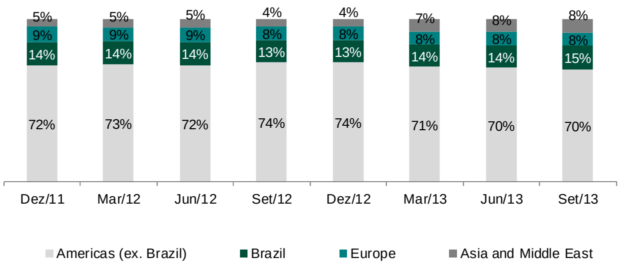


Investor base

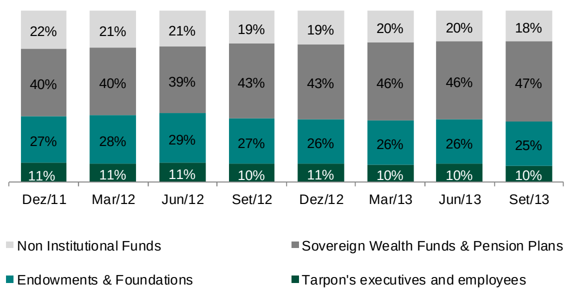
We aim to attract and retain a sophisticated investor base that is aligned with our investment philosophy and with a long-term investment profile.

As of September 30th, 2013, institutional investors, mainly endowments, foundations, pension funds and sovereign wealth funds, accounted for 72% of total AuM. The capital invested by our executives and employees represented 10% of total assets.

AuM by geographical region



AuM by investor type



Investment performance

During the quarter, the Portfolio Funds Long-Only Equity strategy posted net returns of 12.07% in R$ and 11.08% in US$. The accumulated annualized returns of this strategy is 29.52% in R$ and 26.80% in US$.

The Portfolio Funds Hybrid-Equity strategy posted net returns of 5.52% in US$ and 10.63% in R$ in the quarter. Net annualized performance is 18.98% in US$ and 11.03% in R$ since launch.

We do not follow any stock market index as a performance benchmark. For illustrative purposes, during the quarter, Ibovespa and IBX Indexes posted returns of 10.29% and 8.80%, respectively (both in R$), returns in US$ were 9.57% and 8.10% for Ibovespa and IBX, respectively.

Strategy	Inception	Performance[1][2] 3Q13	2013	LTM	2 years	5 years	Since launch (annualized)
Portfolio Funds Long-Only Equity (R$)	May 2002	12.07%	5.78%	14.94%	36.74%	186.17%	29.52%
Portfolio Funds Long-Only Equity (US$)	May 2002	11.08%	-3.06%	4.48%	12.62%	125.35%	26.80%
Portfolio Funds Hybrid-Equity (R$)	Oct 2011	10.63%	5.66%	13.64%	23.27%	-	11.03%
Portfolio Funds Hybrid-Equity (US$)	Oct 2006	5.52%	-5.93%	0.54%	6.98%	118.57%	18.98%
Stock market index		**3Q13**	**2013**	**LTM**	**2 years**	**5 years**	
Ibovespa (R$)		10.29%	-14.13%	-11.55%	0.03%	5.65%	
IBX (R$)		8.80%	-3.19%	1.51%	18.06%	28.73%	
Ibovespa (US$)		9.57%	-21.31%	-19.46%	-16.82%	-9.31%	
IBX (US$)		8.10%	-11.29%	-7.57%	-1.82%	10.50%	

(1) Performance net of fees.
(2) Performance up to September 30th, 2013.

Financial highlights

Summary of results

Financial highlights - R$ million	3Q13	3Q12	9M13	9M12
Gross revenues	**20.4**	**21.6**	**75.3**	**81.4**
Management fees	19.9	21.0	57.7	61.4
Performance fees	0.5	0.6	17.6	20.0
Net revenues	**19.9**	**21.0**	**73.3**	**78.5**
Operating expenses	**(8.5)**	**(9.0)**	**(27.5)**	**(30.6)**
Recurring: general administration, payroll & others	(7.5)	(7.5)	(21.5)	(21.4)
Non recurring: stock option, variable comp., profit sharing	(0.9)	(1.4)	(6.0)	(9.2)
Results from operating activities	**11.5**	**12.0**	**45.8**	**47.9**
Operating margin	58%	57%	62%	61%
Results from financial activities	**1.3**	**1.2**	**1.5**	**3.7**
Finance Expense / Income	1.3	1.2	1.5	3.7
Income tax and social contribution	**(2.7)**	**(5.0)**	**(9.3)**	**(19.4)**
Net Income	**10.1**	**8.1**	**38.1**	**32.2**
Earnings per share (R$/share) *	0.22	0.17	0.82	0.68
O/S	46,150	47,849	46,150	47,849
AuM (end of period)	9,329	8,061	9,329	8,061

(*) – Earnings per share are calculated using the weighted average shares.
Note: the margins indicated are calculated over net operating revenues.

Operating revenues

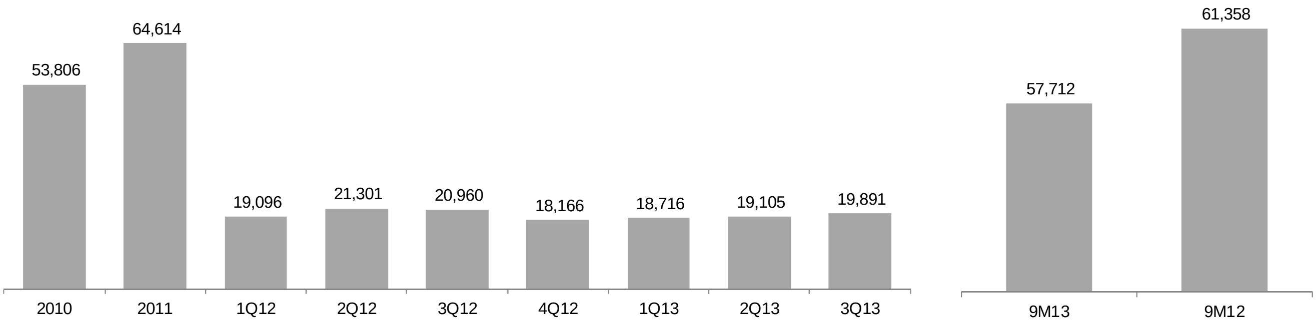
Operating revenues are composed of revenues related to management fees – recurring income flow based on the Tarpon Funds’ net asset value – and revenues related to performance fees – income flow with higher volatility based on the performance of the Tarpon Funds.

Revenues related to management fees

Management fees are charged on the Tarpon Funds based on the amount of invested capital.

During 3Q13, gross revenues related to management fees amounted to R$19.9 million, equivalent to 97% of the operating revenues on the quarter. These revenues decreased 5% when comparing 3Q13 with 3Q12 and presented a 9% increase when compared to 4Q12.

Management fees revenues - R$'000



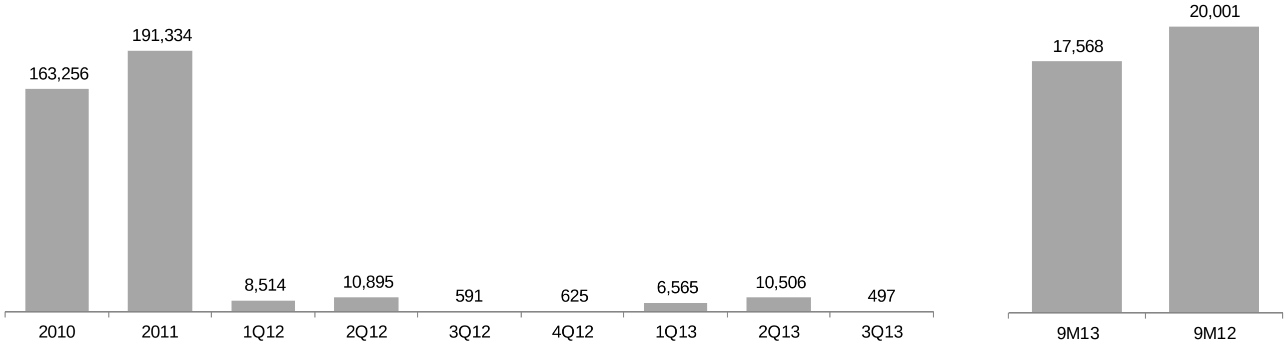
Revenues related to performance fees

Performance fees are payable when the Tarpon Funds' performance exceeds certain hurdle rates. The hurdles primarily are inflation index plus 6% per year.

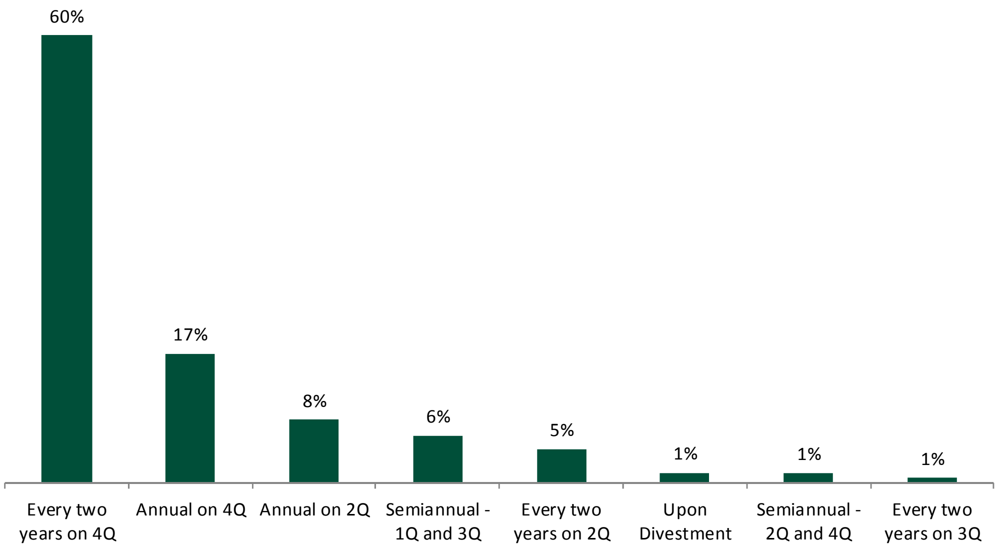
The performance fees are subject to a high water mark, which means that such fees are charged only if the net asset value (NAV) of the relevant fund exceeds the NAV of the previous performance fee collection date, adjusted by the hurdle rate.

In 3Q13, revenues related to performance fees amounted to R$0.5 million, accounting for 3% of overall operating revenues, a 16% decrease compared to 3Q12 and a 20% decrease compared to 4Q12.

Performance fees revenues - R$'000



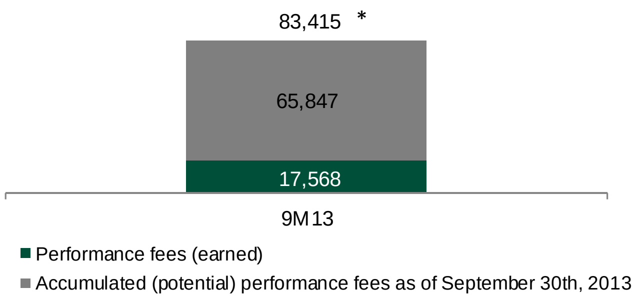
Below is the current distribution of our AuM by performance collection period:



As of September 30, 2013, 38.06% of the Tarpon Funds' NAV was above their respective high water marks (excluding funds where performance fees are collected upon divestment).

For illustrative purposes only, assuming that performance fees were charged on September 30, 2013, the additional revenues related to performance fees would amount to R$65.8 million (based on the net asset value of the funds as of such date). As we cannot predict the Tarpon Funds' performance, there is no assurance that such potential additional amounts will be due and payable to Tarpon on the relevant dates and the prospective amounts may differ substantially from the actual amounts.

Performance fees revenues: earned and potential amount as of September 30th, 2013 – R$'000

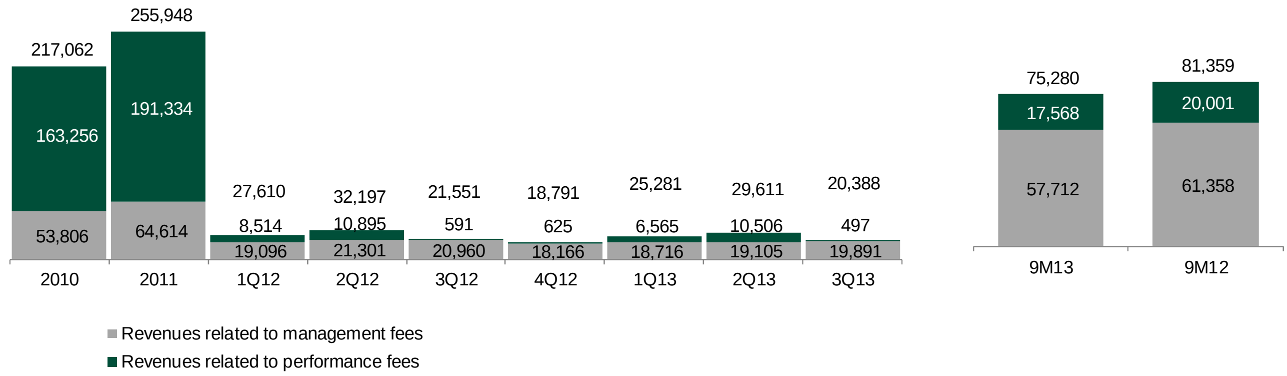


* Estimate amounts. There is no assurance that potential amounts will be due and payable to Tarpon on the relevant dates.

Total operating revenues

The amount of revenues related to management and performance fees totaled R$20.4 million in 3Q13, a 5% decrease over the amount recorded in 3Q12 and an 8% increase compared to 4Q12.

Total operating revenues - R$'000

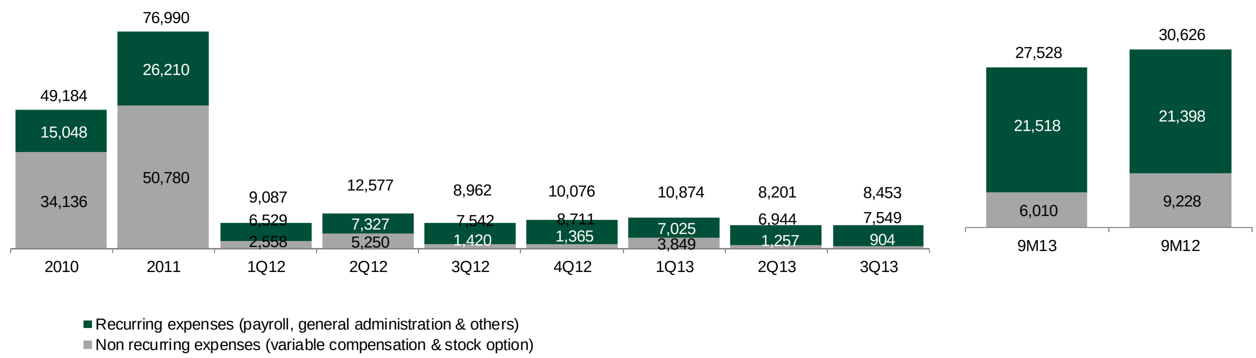


Operating expenses

Operating expenses, which are comprised of recurring and non-recurring expenses, amounted to R$8.5 million during 3Q13. Operating margin in the quarter was 58%.

The recurring portion of operating expenses is comprised of general and administrative expenses, payroll expenses, and other expenses related to depreciation and travel expenses. In 3Q13, recurring expenses totaled R$7.5 million, equivalent to 88% of total operating expenses. This represents a 13% decrease compared to 4Q12 and a 0.1% increase compared to 3Q12.

Total operating expenses - R$'000



In 3Q13, non-recurring operating expenses amounted to R$0.9 million, which includes variable compensation and the provision of our stock option plan (with no cash impact). As of Semptember 30, 2013 non-recurring expenses amounted to R$6.0 million.

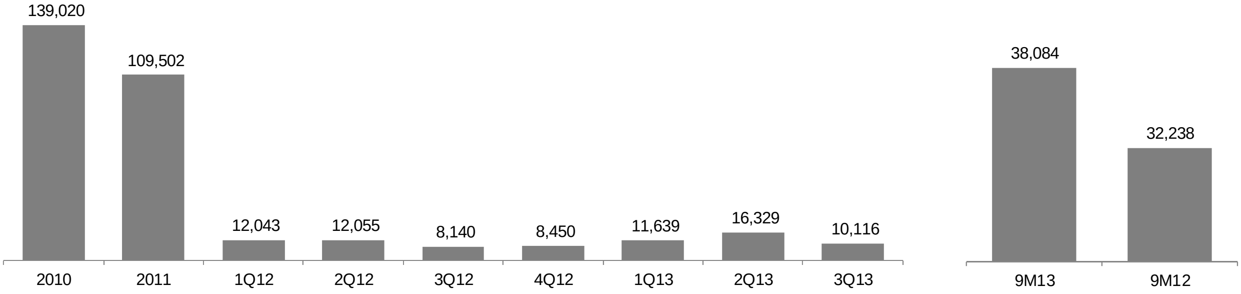
Taxes

Income taxes and social contribution amounted to R$2.7 million in 3Q13 and R$9.3 million as of September 30, 2013.

Net Income

Net income in 3Q13 amounted to R$10.1 million, representing a net margin of 51% on the quarter and R$38.1 million as of September 30, 2013, representing a net margin of 52%.

Net income - R$'000

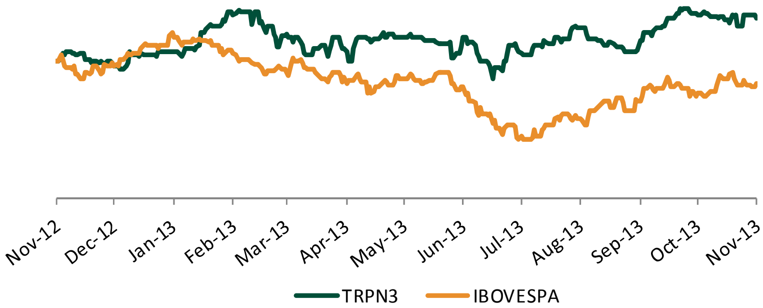


Corporate Governance

Our shares are traded on the Novo Mercado segment of BM&FBOVESPA under the ticker TRPN3.

LTM Performance

Tarpon Investimentos S.A.
O/S: 46,288,258
Stockmarket: BM&F Bovespa / Novo Mercado
Ticker: TRPN3
Listing: 05/26/2009
Share Price 11/04/2013: 15.3
Market Cap: R$708.2 million
<u>Share Performance:</u>
3Q13: 9.32%
2013: 9.74%
LTM (November 4th): 12.39%



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Report on the review of interim information

To
The Board of Directors and Shareholders of
Tarpon Investimentos S.A.
São Paulo - SP

Introduction

We have reviewed the interim balance sheet of Tarpon Investimentos S.A. ("Company") as of September 30, 2013, and the related statements of income and comprehensive income for the three and six-month period then ended, and of changes in shareholders' equity and cash flows for the six-month then ended, including the summary of significant accounting practices and other explanatory notes.

The company's management is responsible for the preparation of the individual interim accounting information in accordance with Technical Pronouncement CPC 21(R1) - Interim Statement and of the consolidated interim accounting information in accordance with CPC 21 (R1) and with international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in accordance with the Brazilian and International review standards (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists in asking questions, chiefly to the persons in charge of financial and accounting affairs, and in applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual interim accounting information

Based on our review, we are not aware of any facts that would lead us to believe that the individual interim financial information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of Quarterly Information - ITR.

Conclusion on the consolidated interim financial information

Based on our review, we are not aware of any facts that would lead us to believe that the consolidated interim financial information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of interim financial information.

Other issues

Statements of added value

We also reviewed the individual and consolidated interim financial information, of Added-value for the nine-month period ended September 30, 2013, prepared by the Company's management, whose presentation is required according to the standards issued by the CVM - Securities and Exchange Commission, applicable to the preparation of Quarterly Information - ITR and considered supplementary information by the IFRS, which do not require the presentation of the statement of added-value. These interim financial statements were subjected to the review procedures previously described and, based on our review, we are not aware of any other event that make us believe that those were not prepared, in all material respects, in accordance with the individual and consolidated interim accounting information taken as a whole.

São Paulo, November 4, 2013

KPMG Auditores Independentes
CRC 2SP014428/O-6
Original report in Portuguese signed by
Jubran Pereira Pinto Coelho
Accountant CRC MG-077045/O-0 T SP

Tarpon Investimentos S.A.

Individual and consolidated interim balance sheets

September 30, 2013 and December 31, 2012

(In thousands of Reais)

Assets	Notes	Consolidated 09/30/2013	Consolidated 12/31/2012	Individual 09/30/2013	Individual 12/31/2012
Current assets					
Cash and cash equivalents	4	25,121	3,317	7,829	1,098
Financial assets measured at fair value through profit or loss	5	9,341	32,379	-	32,379
Derivative financial instruments	6c	1,071	1,977	-	1,977
Receivables	7	3,242	15,766	-	-
Deferred taxes	15	2,753	4,229	2,753	4,229
Others assets	18b	9,221	18,956	1,884	9,687
		50,749	76,624	12,466	49,370
Non-current assets					
Investment	8	-	-	29,314	18,061
Property, plant and equipment	9	1,755	1,980	-	-
		1,755	1,980	29,314	18,061
Total assets		52,504	78,604	41,780	67,431

Liabilities	Notes	Consolidated 09/30/2013	Consolidated 12/31/2012	Individual 09/30/2013	Individual 12/31/2012
Current liabilities					
Accounts payable	18c	1,014	792	6	191
Taxes payable	18d	9,535	28,726	2,713	20,170
Labor obligations	18e	2,914	2,042	20	42
Statutory payables	10c	-	21,510	-	21,510
		13,463	53,070	2,739	41,913
Non-current liabilities					
Accounts payable	18c	-	15	-	-
		-	15	-	-
Shareholders' equity					
Capital	10a	6,484	6,216	6,484	6,216
Capital reserves	10e	4,286	-	4,286	-
Statutory reserve	10d	-	3,052	-	3,052
Legal reserve	10b	1,223	1,223	1,223	1,223
Equity evaluation adjustment		-	(4)	-	(4)
Option plan	14	15,017	14,503	15,017	14,503
Accumulated translation adjustment	8	1,757	528	1,757	528
Retained earnings		10,274	-	10,274	-
Shareholders' equity attributable to controlling shareholders		39,041	25,518	39,041	25,518
Total liabilities and shareholders' equity		52,504	78,604	41,780	67,431

See the accompanying notes to the interim individual and consolidated financial statements.

Tarpon Investimentos S.A.

Interim individual and consolidated statements of income

Quarters ended and nine-month period ended September 30, 2013 and 2012

(In thousands of Reais)

		Consolidated		Individual		Consolidated		Individual	
		Nine-month period ended September 30		Nine-month period ended September 30		Quarter ended September 30		Quarter ended September 30	
	Notes	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Management fee		56,485	59,243	-	41,544	19,460	20,421	-	11,239
Performance fee		16,847	19,290	-	18,722	469	574	-	6
Net operating income	12	73,332	78,533	-	60,266	19,929	20,995	-	11,245
Operating income and expenses									
Personnel expenses	18e	(14,395)	(14,076)	(56)	(11,477)	(4,658)	(3,408)	(19)	(1,936)
Option plan	14	(3,425)	(5,064)	-	(4,741)	(904)	(1,420)	-	(1,097)
Administrative expenses	13	(7,944)	(9,490)	(600)	(6,784)	(2,546)	(3,044)	(99)	(1,671)
Income (loss) from financial assets measured at fair value through profit or loss		1,543	3,709	82	3,709	1,318	1,151	-	1,151
Equity in net income of subsidiaries	8	-	-	38,599	6,727		-	10,198	3,444
Other operating income (expenses)		(1,766)	(1,995)	(46)	41	(345)	(1,089)	(15)	(38)
		(25,987)	(26,916)	37,979	(12,525)	(7,135)	(7,810)	10,065	(147)
Operating income		47,345	51,617	37,979	47,741	12,794	13,185	10,065	11,098
Income and social contribution taxes	15	(9,261)	(19,379)	105	(15,503)	(2,678)	(5,045)	51	(2,958)
Current		(12,014)	(23,033)	(2,648)	(19,157)	(3,675)	(6,837)	(946)	(4,750)
Deferred		2,753	3,654	2,753	3,654	997	1,792	997	1,792
Net income for the nine-month period/quarter		38,084	32,238	38,084	32,238	10,116	8,140	10,116	8,140
attributable to controlling shareholders		38,084	32,238	38,084	32,238	10,116	8,140	10,116	8,140
Quantity of shares at the end of the period	11	46,150	47,849	46,150	47,849	46,150	47,849	46,150	47,849
Basic earnings per thousand shares - R$	11a	0.82	0.68	0.82	0.68	0.22	0.17	0.22	0.17
Diluted earning per thousand shares - R$	11b	0.70	0.59	0.70	0.59	0.19	0.15	0.19	0.15

See the accompanying notes to the interim individual and consolidated financial statements.

Tarpon Investimentos S.A.

Individual and consolidated statements of cash flows

Nine-month period ended September 30, 2013 and 2012

(In thousands of Reais)

	Consolidated		Individual	
	Nine-month period ended September 30		Nine-month period ended September 30	
	2013	**2012**	**2013**	**2012**
Operational activities				
Net income from recurring operations	38,084	32,238	38,084	32,238
Adjustments:				
Depreciation	389	375	-	251
Equity income (loss)	-	-	(38,599)	(6,727)
Increase/(decrease) in option plan	3,425	5,064	-	4,741
Accumulated translation adjustment	1,229	469	1,229	469
Deferred taxes	2,753	(3,654)	2,753	(3,654)
Variation of equity evaluation adjustment	(4)	(47)	(4)	(47)
Variation of derivative financial assets	906	(246)	1,977	(246)
Adjusted income (loss)	46,782	34,199	5,440	27,025
Changes in assets and liabilities				
(Increase)/decrease in receivables	12,524	4,126	-	6,237
(Increase)/decrease in other assets	9,735	15,257	7,803	21,505
Increase/(decrease) in accounts payable	(207)	(200)	(185)	(590)
Increase/(decrease) in tax payable	(19,191)	(38,641)	(17,457)	(44,856)
Increase/(decrease) in labor liabilities	872	579	(22)	(1,903)
Cash flow from operating activities	50,515	15,320	(4,421)	7,418
Investing activities				
Variation of financial assets at fair value through profit or loss	22,181	52,188	29,879	52,188
(Acquisitions)/write-off of property, plant and equipment and lease	(165)	(234)	-	193
Cash flow from investing activities	22,016	51,954	29,879	52,381
Financing activities				
Repurchase of shares	(11,999)	(48,753)	(11,999)	(48,753)
Payment of dividends	(41,510)	(16,408)	(41,510)	(16,408)
Exercise of stock options	2,782	5,121	2,782	5,121
Dividends received	-	-	32,000	-
Cash flow from financing activities	(50,727)	(60,040)	(18,727)	(60,040)
Total cash flow	21,804	7,234	6,731	(241)
Increase/(decrease) in cash and cash equivalents	21,804	7,234	6,731	(241)
Cash and cash equivalents at the beginning of the period	3,317	479	1,098	373
Cash and cash equivalents at the end of the period	25,121	7,713	7,829	132

See the accompanying notes to the interim individual and consolidated financial statements.

Tarpon Investimentos S.A.

Individual and consolidated interim statements of comprehensive income

Quarters ended and nine-month period ended September 30, 2013 and 2012

(In thousands of Reais)

	Consolidated	Individual
Net income for the quarter ended September 30, 2013	10,116	10,116
Comprehensive income		
Accumulated translation adjustment	43	43
Total comprehensive income for the quarter ended September 30, 2013	10,159	10,159
Comprehensive income attributable to parent companies	10,159	10,159
Net income for the nine-month period ended September 30, 2013	38,084	38,084
Comprehensive income		
Accumulated translation adjustment	1,757	1,757
Total comprehensive income for the nine-month period ended September 30, 2013	39,841	39,841
Comprehensive income attributable to parent companies	39,841	39,841
Net income for the quarter ended September 30, 2012	8,140	8,140
Comprehensive income		
Accumulated translation adjustment	(14)	(14)
Equity evaluation adjustment	(11)	(11)
Total comprehensive income for the quarter ended September 30, 2012	8,115	8,115
Comprehensive income attributable to parent companies	8,115	8,115
Net income for the nine-month period ended September 30, 2012	32,238	32,238
Comprehensive income		
Accumulated translation adjustment	469	469
Equity evaluation adjustment	47	47
Total comprehensive income for the nine-month period ended September 30, 2012	32,754	32,754
Comprehensive income attributable to parent companies	32,754	32,754

See the accompanying notes to the interim individual and consolidated financial statements.

Tarpon Investimentos S.A.

Consolidated interim statements of changes in shareholders' equity

Nine-month period ended September 30, 2013 and 2012

(In thousands of Reais)

	Capital	Capital reserves	Statutory reserves	Legal reserve	Treasury shares	Option plan	Equity evaluation adjustments	Accumulated translation adjustment	Retained earnings	Total shareholders' equity
Balances at December 31, 2012	6,216	-	3,052	1,223	-	14,502	(4)	529	-	25,518
Capital increase	268	2,514	-	-	-	-	-	-	-	2,782
Equity evaluation adjustment	-	-	-	-	-	-	-	-	-	-
Repurchase of shares	-			-	(11,999)	-	-	-	-	(11,999)
Option plan	-	-	-	-	-	3,425	-	-	-	3,425
Reversal of exercised options	-	2,909	-	-	-	(2,909)	-	-	-	-
Cancellation of Company's shares	-	(1,137)	(3,052)	-	11,999	-	-	-	(7,810)	-
Accumulated translation adjustment	-	-	-	-	-	-	-	1,228	-	1,228
Net income	-	-	-	-	-	-	4	-	38,084	38,088
Formation of reserves	-	-	-	-	-	-	-	-	-	-
Intermediary dividends proposed	-	-	-	-	-	-	-	-	(20,000)	(20,000)
Balances at September 30, 2013	6,484	4,286	-	1,223	-	15,018	-	1,757	10,274	39,042
Balances at December 31, 2011	6,116	26,507	6,116	1,223	-	11,013	-	133	-	51,108
Capital increase	100	5,021								
Option plan	-	-	-	-	-	5,064	-	-	-	5,064
Cancellation of Company's shares	-	(26,507)	(2,800)	-	29,307	-	-	-	-	-
Repurchase of shares	-	-	-	-	(48,753)	-	-	-	-	(48,753)
Reversal of exercised options	-	2,940	-	-	-	(2,940)	-	-	-	-
Equity evaluation adjustment	-	-	-	-	-	-	47	-	-	47
Intermediary dividends proposed	-	-	-	-	-	-	-	-	(7,957)	(7,957)
Accumulated translation adjustment	-	-	-	-	-	-	-	336	-	336
Net income	-	-	-	-	-	-	-	-	32,238	32,238
Balances at September 30, 2012	6,216	7,961	3,316	1,223	(19,446)	13,137	47	469	24,281	37,204

See the accompanying notes to the interim individual and consolidated financial statements.

Tarpon Investimentos S.A.

Individual and consolidated interim statements of added-value

Nine-month period ended September 30, 2013 and 2012

(In thousands of Reais)

	Consolidated		Individual	
	Nine-month period ended September 30		Nine-month period ended September 30	
	2013	2012	2013	2012
Income	75,280	81,358	-	63,002
Performance and Management fee	75,280	81,358	-	63,002
Inputs acquired from third parties	(9,321)	(11,110)	(646)	(6,493)
Materials-Power-Third-party services-Other	(9,321)	(11,110)	(646)	(6,493)
Gross added value	65,959	70,248	(646)	56,509
Retentions	(389)	(375)	-	(251)
Depreciation	(389)	(375)	-	(251)
Net added value produced	65,570	69,873	(646)	56,258
Added value received as transfer	1,543	3,709	38,681	10,436
Equity income (loss)	-	-	38,599	6,727
Financial income and expenses	1,543	3,709	82	3,709
Total added value payable	67,113	73,582	38,035	66,694
Distribution of added value	67,113	73,582	38,035	66,694
Personnel	15,835	17,465	-	14,713
Direct remuneration	15,835	17,465	-	14,713
Taxes, rates and contributions	13,194	23,879	(49)	19,743
Federal	12,021	22,301	(49)	18,208
Municipal	1,173	1,578	-	1,535
Remuneration of own capital	38,084	32,238	38,084	32,238
Dividends	20,000	-	20,000	-
Retained earnings for the year	10,274	32,238	10,274	32,238
Cancellation of shares	7,810	-	7,810	-

See the accompanying notes to the interim individual and consolidated financial statements.

Notes to the individual and consolidated interim financial statements

(In thousands of reais)

1 Operations

Tarpon Investimentos S.A. (the “Company” or “Tarpon”) was established in June 2002, and was initially organized as a limited liability company engaged in operating as securities portfolio administrator and third parties’ funds manager, through investment funds, administrated portfolios and other investment vehicles (“Fundos Tarpon”). In December 2003, the Company became a publicly-held corporation.

On May 30, 2012, the Board of Directors approved internal corporate reorganization according to which administration of third parties’ funds is now conducted by Tarpon Gestora, subsidiary of the Company, and the Company started to operate exclusively as a holding. Such reorganization was completed on August 31, 2012.

2 Presentation of financial statements

2.1 Presentation of individual and consolidated financial statements

The parent company’s individual financial statements were prepared according to the International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board (IASB) and also in accordance with accounting practices adopted in Brazil BR GAAP.

There is no difference between the shareholders' equity and consolidated income (loss) and the individual presented. Accordingly, the consolidated and consolidated financial statements are being presented side by side in a single set of financial statements.

These financial statements and the respective Independent auditors' report on the audit on financial statements were approved by the Board of Directors on November 4, 2013.

2.2 Functional and presentation currency

The financial statements were prepared in BRL (R$), Company’s functional and presentation currency.

2.3 Use of estimates and judgments

The preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting principles and the reported amounts of assets, liabilities, revenues and expenses including the calculation of market values and stock option plan. Actual results may differ from estimates. The assumptions and estimates are quarterly reviewed.

2.4 Consolidation basis

The consolidated financial statements include Tarpon Gestora de Recursos S.A., TISA NY, Inc., Tarpon All Equities (Cayman), Ltd., TSOP Ltd. and Tarpon BR S.A..

Tarpon Gestora de Recursos S.A.

On April 25, 2012, Tarpon Investimentos S.A. became the holder of all Tarpon Gestora shares totaling 500 shares at the value of R$1.00.

On August 31, 2012, the Company subscribed a capital increase of Tarpon Gestora, from R$ 0.5 to R$ 763, through the issue of 762,292 new nominative common shares with no par value of R$ 1.00. The shares were paid up on the same subscription date through a contribution in assets and current local currency.

TISA NY, Inc.

TISA NY is a Company's wholly-owned subsidiary. TISA NY income and its respective investment are evaluated at the equity method (individual accounting statements) whose functional currency is different from the parent company functional currency.

Tarpon All Equities (Cayman), Ltd. and TSOP Ltd.

On March 28, 2012, the Company became the holder of all shares of Tarpon All Equities (Cayman), Ltd. and TSOP Ltd. These companies operate as general partners of some foreign investment funds and its functional currency is different from the parent company's functional currency.

Tarpon BR S.A. and Tarpon BR Participações Ltda.

Subsidiaries Tarpon BR S.A. and Tarpon BR Participações Ltda. were liquidated on February 13, 2013 and March 27, 2012, respectively.

Investments in subsidiaries established abroad are translated into presentation currency, as follows:

i. The asset and liability balances are translated at the current foreign exchange rate on the closing date of the Consolidated Financial Statements;

ii. Income accounts are translated at foreign exchange quotations on transaction date; and

iii. All differences resulting from foreign exchange translations are recognized in Shareholders' Equity and in Consolidated Statement of Comprehensive Income, under line "accumulated translation adjustments".

Investments in subsidiaries and all balances between these companies were eliminated on preparation of consolidated financial statements.

2.5 New standards and interpretations issued and not yet adopted

Several IFRS standards, standard amendments, and interpretations issued by IASB have not yet come into effect in the preparation of such financial statements.

None of these new Standards are expected to have a material effect on the Company's interim financial statements except for IFRS 9 - Financial Instruments which will be mandatory as of January 1, 2015 and may change classification and measurement of any financial assets maintained by the Company.

The CPC (Accounting Pronouncements Committee) has not yet issued pronouncements equivalent to the aforementioned IFRSs, although that is expected to be done before the date when they are required to come into effect. The advanced adoption of IFRS pronouncements is conditioned to the prior approval by a regulatory act by the Brazilian Securities Commission ("CVM").

3 Significant accounting policies

The main accounting practices described below were consistently applied for the Company and its foreign subsidiaries in the quarter and nine-month period ended September 30, 2013.

a. Income

Revenues are comprised of fees deriving from management services for Fundos Tarpon portfolio, referring to administration and performance fees. Management fees are generated in accordance with a percentage on funds' shareholders' equity and recognized as respective services are provided. Performance fees are generated when the performance of funds exceeds a certain parameter or minimum profitability rate (hurdle rate), as defined in respective regulations, and are recognized when their value and receipt is certain.

b. Financial instruments

Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through income are intended for trading and are represented by the Company's investments in bank deposit certificates and repurchase and resale agreements. The interest, gains and losses derived from the adjustment at fair value were recognized in the statements of income under "Income from financial assets measured at fair value through profit or loss". Fair values of these assets are determined based on value adjusted at the interbank deposit rate (DI) informed by the bank that issued CDB's and the repurchase and resale agreement, respectively, at the end of each month.

Derivative financial instruments

Derivative financial instruments (assets) are classified on the date of their acquisition according to the intention of Management for hedge purposes or not. Transactions are stated at market values including gains and losses, realized and unrealized, and recognized directly to the statement of income.

Cash and cash equivalents

Cash and cash equivalents refer to cash balances and demand deposits used to manage the Company's working capital.

c. Impairment

The carrying values of the Company are reviewed each balance sheet date to determine whether there is sign of loss in the recovery value (impairment). If such indication exists, the recovery value of the asset is estimated. A loss in recovery value is recognized (impairment) if the carrying value of the asset exceeds its recoverable value.

d. Investments in subsidiaries and foreign subsidiary

The investments in subsidiaries and foreign subsidiary are stated at nominal value and restated under the equity method in the individual financial statements.

e. Property, plant and equipment

Property, plant and equipment is recorded by the acquisition cost, net of the respective accumulated depreciations, calculated using the straight-line method which considers the economic useful life and the respective residual values. The annual depreciation rates are: Furniture and fixtures and machinery and equipment (10%), facilities (10%), data processing systems (20%), communications and security systems (20%) and software licenses (25). Leasehold improvements are amortized over lease contract effective period (five years), at the annual rate of 20%.

f. Short-term benefits to employees and managers

Employees and managers are entitled to fixed and variable remuneration and annual profit sharing plan, as applicable. The provision for estimated amount to be paid as semi-annual profit sharing or variable compensation recognized when the Company complies with legal (conditions established in the plan) or constructive obligation of paying said value and the obligation may be reliably estimated.

Employees and managers are not entitled to any type of post-employment benefits, other long-term benefits, or job termination benefits.

g. Provisions

A provision is recognized if, as a result of past events, the Company has a legal or constructive obligation that allows a reliable estimate, and provided that losses are evaluated as probable. Reserves are determined by discounted estimated future cash flows at a rate that reflects the current market conditions and the characteristic risks of the liability.

h. Stock option plan

Effects of the stock option plan are calculated based on fair value prevailing on the date options are granted, and are recognized in the balance sheet and in the statement of income on a pro-rata basis, over vesting period of each granting.

i. Income and social contribution taxes and other taxes

In the current year, Tarpon Investimentos S.A. used as tax regime the Taxable Income. Thus, provision for income tax is formed at the basic rate of 15% of the taxable income, plus a surtax of 10% on certain limits. The provision for social contribution tax is calculated based on the rate of 9%. Amounts paid as income tax and social contribution advances are being accounted for in assets, under taxes recoverable (see note 18 b).

It is worth to emphasize that the Company adopted the Transitory Tax Regime (RTT) for calculating corporate income tax and social contribution as opted by the Law 11941/09 whose purpose is to maintain the tax neutrality of the amendments to the Brazilian corporate law introduced by Law 11638/07 and other amendments in accounting standards performed in the convergence context for IFRS.

For companies with taxation system called "taxable income", PIS and COFINS rates are 1.65% and 7.60%, respectively, and are levied only on revenues from administration and performance fees deriving from Brazilian funds, less corresponding expenses.

ISS rate levied on portfolio management revenues, including management of Brazilian funds and management of foreign funds and portfolios is 2%.

PIS, COFINS and ISS overdue amounts are accounted for as taxes on revenues.

Deferred income tax and social contribution assets deriving from recoverable taxes on income earned abroad were established considering expected realization.

j. Other assets and liabilities

Other assets have been stated at realizable values, including, when applicable, income and monetary variations (on a pro rata daily basis) earned and a provision for losses, when considered necessary. Liabilities presented include known or calculated amounts, plus charges and monetary variations (on a pro rata daily basis) incurred.

k. Receivables

Receivables are stated at realizable values, including, where applicable, an allowance for losses.

l. Segment reporting

A segment is a Company's unit which is dedicated to provide products or services (business segment), or products or services in a particular economic environment (geographical segment), which is subject to risks and rewards which differ from those of other segments.

The Company, through its subsidiaries, carries out a single type of business (the rendering of services related to the management of portfolios) in the several markets which operates, and, consequently, no further division of the segment by type of business nor geographic segment presented.

m. Comprehensive income

Results from net income for the current quarters and foreign exchange variation arising from the consolidation of foreign subsidiaries and equity evaluation adjustment.

n. Statements of added value

The Company prepared individual and consolidated statements of added value in accordance with the rules of technical pronouncement CPC 9 - Statement of Added Value, which are presented as an integral part of the financial statements under BRGAAP applicable to publicly-held companies, whereas under IFRS they represent additional financial information.

o. Earnings per share

The basic earnings per share are calculated based on the result for the quarter/nine-month period ended September 30, 2013, attributable to the Company's controlling and non-controlling shareholders and the weighted average of outstanding common shares in the respective year. Diluted earnings per share are calculated through the aforementioned average of outstanding shares, adjusted by the possible exercise of the share purchase options, with a dilutive effect on the quarters/nine-month period ended September 30, 2013, presented, in accordance with CPC 41 and IAS 33.

4 Cash and cash equivalents

Cash and cash equivalents are represented in the consolidated and individual as of September 30, 2013 and December 31, 2012 by the balances of cash and banks.

5 Financial assets measured at fair value through profit or loss

	Consolidated	
	September 2013	December 2012
Financial assets measured at fair value through profit or loss		
Purchase and sale commitments	-	18,419
Bank deposit certificates	9,341	13,960
	9,341	32,379

	Individual	
	September 2013	December 2012
Financial assets measured at fair value through profit or loss		
Purchase and sale commitments	-	18,419
Bank deposit certificates	-	13,960
	-	32,379

Operations indexed to the variation of the Interbank Deposit (DI) rate entered into with a prime bank. Its fair value is classified as level 3, considering its calculation based on the adjustment of future cash flows to present value at observable market rates, and adjusted by the credit risk, when applicable, of the counterparties, in accordance with Management’s internal assessment.

6 Financial instruments

a. Risk management

The Company is basically exposed to the risks from the use of financial instruments:

Credit risk

It results from the possibility of the Company and its subsidiaries incurring losses arising out of default of their counterparties or financial institutions depository of resources or financial investments. The Company's policy is to minimize the exposure to credit risk. Management reviews and approves all the decisions taken with regard to investments, in order for them to be made only in highly liquid assets issued by prime financial institutions.

Market risk

It is the risk that changes in market prices, such as interest rates and prices in the stock market, will affect the income or value of their financial instruments. The Company's policy is to minimize its exposure to market risk, seeking to diversify the application of funds in terms of post-fixed rates.

b. Financial assets measured at fair value through profit or loss

	Valuation method - 2013 and 2012	Exposure to market value risk or interest rate?
Bank deposit certificates	Adjusted by the indexation rate – Interbank Deposit (DI) rate	Yes
Purchase and sale commitments	Adjusted by the indexation rate – Interbank Deposit (DI) rate	Yes

c. Derivative financial instruments

The Company (including through its subsidiary) has a swap contract with Banco Itaú BBA S.A. where it holds an asset position in the variation of the price of Company common shares issued, and a liability position in 100% of the variation of the CDI plus a fixed rate, with a notional value of up to R$ 22,000 and a settlement term of up to 12 months as from the respective negotiation. The result of the transactions will be settled upon maturity.

As of September 30, 2013, the Company had the following outstanding transactions:

Consolidated

Financial instrument	Asset	Liability	Maturity	Notional value	MTM – 09/30/13	MTM – 12/31/12
SWAP	Shares	CDI + 0.5% p.a.	03/14/14	5,928	276	-
SWAP	Shares	CDI + 0.5% p.a.	09/02/14	4,504	468	-
SWAP	Shares	CDI + 0.5% p.a.	09/03/14	3,137	327	-
Total					**1,071**	**-**

Outstanding derivative financial instruments, recorded in December 2012 in the Company (individual), were settled during 2013.

d. Sensitivity analysis - Effect in the variation of the fair value

In compliance with the provisions of CVM Instruction no. 475, of December 17, 2008, the Company states that it is not exposed to market risks and/or interest rate considered relevant.

Although risk is assessed as low, Management continuously monitors changes in interest rates and share prices, which can have a direct or indirect impact on the fair value of these financial instruments.

e. Cash and cash equivalents

The funds are not allocated to any type of investment, and therefore no interest rate is applied.

f. Other financial assets and liabilities

The fair values of the other financial assets and liabilities are equal to the carrying amounts in the balance sheets, measured at fair value or short-term maturity.

7 Receivables

The management fees due by the Fundos Tarpon (Tarpon Funds) funds are calculated on a monthly basis and paid at the beginning of the subsequent period, in accordance with the respective regulation. The performance fees are calculated on a six-month period basis, annual or bi-annual basis and paid on March 31, June 30, September 30 and December 31 of each year, pursuant to the respective regulation.

	Consolidated	
	September 2013	**December 2012**
Management fee **(i)**	1,872	15,144
Performance fee **(i)(ii)**	1,370	622
	3,242	15,766

i. By August 31, 2012, the foreign funds hired the Company and TISA NY as service providers, and the remuneration arose from the management and performance fees paid by these funds. As from September 1, 2012, these funds hired Tarpon Gestora to replace the Company.

ii. By the date these financial statements were approved, the receivables referring to the quarter ended September 30, 2013 had been substantially settled.

As of September 30, 2013, only the subsidiaries had receivables recorded in the respective balance sheets.

8 Investments

On July 6, 2011, the Company's subsidiary in New York, US (TISA NY, Inc.) was established. On this date, 1,000 shares of TISA NY were paid up, at US$ 1.00 each. On July 15, 2011, 50,000 shares were paid up, at US$ 10.00 each.

The tables below present the changes in the balances of TISA NY:

TISA NY - in thousands of Reais - Changes

Balance at December 31, 2012	9,362
Equity in net income	4,606
Contribution to subsidiary in connection with the option plan	338
Exchange variation	1,229
Balance at September 30, 2013	15,535

TISA NY - in thousands of Reais - Accumulated

TISA NY - in USD thousand		**TISA NY - in R$ thousand**						
Shareholders' equity	**Income - September 30, 2013**	**Shareholders' equity**	**Income - September 30, 2013**	**Accumulated foreign exchange**	**Capital holdings in %**	**Equity in net income of subsidiaries**	**Contribution to subsidiary in connection with the option plan**	**Equity value of the investment**
4,830	2,287	8,661	4,606	1,757	100%	4,606	511	15,535

The investments in subsidiaries Tarpon All Equities (Cayman), Ltd. e TSOP Ltd. correspond to R$ 101 as of September 30, 2013.

On August 31, 2012, the Company subscribed a capital increase of Tarpon Gestora, from R$ 0.5 to R$ 763, through the issue of 762,292 new nominative common shares with no par value of R$ 1.00. The shares were paid up on the same subscription date through a contribution in assets and current local currency.

Tarpon Gestora de Recursos S.A.

Balance at December 31, 2012	8,599
Dividends payable to the parent company	(32,000)
Equity in net income	33,993
Contribution to subsidiary in connection with the option plan	3,086
Balance at September 30, 2013	13,678

Tarpon Gestora - in R$ thousand

Shareholders' equity	Income (loss) June 30, 2013	Capital holdings in %	Equity in net income of subsidiaries	Contribution to subsidiary in connection with the option plan	Dividends payable to the parent company	Equity value of the investment
7,220	33,993	100%	33,993	4,465	(32,000)	13,678

9 Property, plant and equipment

The Company's property, plant and equipment is comprised of:

Consolidated

	Facilities	Machinery and equipment	Computers	Software	Furniture and fixtures	Telephony equipment	Third-party properties	Total
Balance at December 31, 2011	**13**	**65**	**83**	**539**	**197**	**5**	**792**	**1,694**
Additions	-	14	23	77	11	32	44	201
Write-offs	-	-	(4)	-	-	-	-	(4)
Transfers	-	390	-	68	(68)	-	(390)	-
Depreciation	(3)	(9)	(38)	(93)	(14)	(8)	(145)	(310)
Balances of property, plant and equipment at September 30, 2012	**10**	**460**	**64**	**591**	**126**	**29**	**301**	**1,581**
Property, plant and equipment acquired from financial lease	-	-	55	20	341	75	-	491
Total balance as of September 30, 2012	**10**	**460**	**119**	**611**	**484**	**114**	**349**	**2,188**
Balance at December 31, 2012	**10**	**434**	**124**	**490**	**120**	**27**	**306**	**1,511**
Additions	-	-	140	19	-	6	-	165
Write-offs	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Depreciation	(3)	(7)	(28)	(112)	(15)	(6)	(152)	(323)
Balance at September 30, 2013	**7**	**427**	**236**	**397**	**105**	**27**	**154**	**1,353**
Property, plant and equipment acquired from financial lease	-	-	40	15	297	50	-	402
Total balance as of September 30, 2013	**7**	**427**	**246**	**412**	**402**	**77**	**154**	**1,755**

As of September 30, 2013, only the subsidiaries had fixed assets recorded in the respective balance sheets.

Refer to Note 18(a) for finance lease payments.

10 Shareholders' equity

a. Capital

As of January 28, 2013, the Board of Directors approved, within the authorized capital limit, the issue of 66 thousand shares, arising from the exercise of stock options granted under the Company’s stock option plan. Of the exercise price, in the amount of R$ 561, R$ 56 was allocated to capital stock and R$ 505 to the capital reserve. Accordingly, the Company’s capital increased from R$ 6,216 to R$ 6,272 (R$ 6,216 as of December 31, 2012), represented by 46,387 thousand common shares, with no par value (47,849 thousand common shares as of December 31, 2012).

As of April 29, 2013, the Board of Directors approved, within the authorized capital limit, the issue of 15 thousand shares, arising from the exercise of stock options granted under the Company’s stock option plan. Of the exercise price, in the amount of R$ 159, R$ 16 was allocated to capital stock and R$ 143 to the capital reserve. Accordingly, the Company’s capital increased from R$ 6,272 to R$ 6,288 (R$ 6,216 as of December 31, 2012), represented by 46,402 thousand common shares, with no par value (47,849 thousand common shares as of December 31, 2012).

On June 24, 2013 the Board of Directors approved the cancellation of the total 846,700 common shares of the Company held in treasury, acquired under the share repurchase program approved on January 28, 2013. Thus, capital is now divided into 45,556 thousand shares.

As of July 29, 2013, the Board of Directors approved, within the authorized capital limit, the issue of 594,626 thousand shares, arising from the exercise of stock options granted under the Company’s stock option plan. Of the exercise price, in the amount of R$ 2,061, R$ 195 was allocated to capital stock and R$ 1,866 to the capital reserve. Accordingly, the Company’s capital increased from R$ 6,288 to R$ 6,484 (R$ 6,216 as of December 31, 2012), represented by 46,150 thousand common shares, with no par value (47,849 thousand common shares as of December 31, 2012).

b. Legal reserve

Established at the rate of 5% of net income for each fiscal year, pursuant to section 193 of Law 6404/76, the purpose of this reserve, which cannot exceed 20% of capital, is to ensure the integrity of capital and it can only be used to offset losses or increase capital. At the Company's discretion, the legal reserve need not be established whenever its balance plus that of the capital reserves referred to in section 182, paragraph 1 of Law 6404/76, exceed 30% of the capital. As of September 30, 2013, the balance of the statutory reserve was R$ 1,223.

c. Dividends

The Company’s bylaws provide for the payment of mandatory minimum dividends of 25% of net income for the year, adjusted as per the bylaws.

On March 4, 2013, the Ordinary General Meeting determined the payment of dividends in the amount of R$ 21,510, made on March 12, 2013, and included in the mandatory minimum dividends for 2012.

On July 29, 2013, the Board of Directors approved the distribution of dividends amounting to R$ 20,000, which were paid on August 6, 2013.

d. Statutory reserve

The Company's bylaws establish that up to 10% of net income, adjusted as per the bylaws, less the mandatory minimum dividend, may be allocated to statutory reserve called "Investment reserve", for the redemption, repurchase or acquisition of shares issued by the Company, or the performance of the Company's activity, limited to the Company's share capital. On September 30, 2013, the balance was null, since it was used in the share repurchase program as approved on January 28, 2013. On December 31, 2012, the balance was R$ 3,052.

e. Capital reserve

The balance of the capital reserve arises from the issue of new shares, the transfer of the balance of exercised options from the "Stock Option Plan" account, and cancellation of treasury shares, as follows:

			Allocation at issue price			
Period	**Nature**	**Issue of new shares (quantity - thousand)**	**Capital**	**Capital reserve**	**Amounts transferred from the stock option plan to the capital reserve**	**Total capital reserve**
Balance at December 31, 2011		**48,194**	**6,116**	**19,522**	**6,984**	**26,507**
	Treasury share cancellation.	(2,171)		(19,522)	(6,984)	(26,507)
	Company's Stock option plan exercises as Option plan	1,826	100	5,021	2,940	7,961
Balance at September 30, 2012		**47,849**	**6,216**	**5,021**	**2,940**	**7,961**
Balance at December 31, 2012		**47,849**	**6,216**	**-**	**-**	**-**
	Treasury share cancellation.	(2,374)		(1,137)	-	(1,137)
	Company's Stock option plan exercise as Option plan, and	675	268	2,514	-	2,514
	reversal of exercised options.	-	-	-	2,909	2,909
Balance at September 30, 2013		**46,150**	**6,484**	**1,377**	**2,909**	**4,286**

f. Repurchase of shares

Under the share repurchase program approved by the Board of Directors on November 17, 2011, the Company repurchased 2,170,873 common shares on April 9, 2012, totaling R$ 29,322 (including brokerage fees), the sole repurchase price of which was R$ 13.50. The aim of the Repurchase Program was to create value for the Company's stockholders through efficient management of the Company's capital structure.

On April 13, 2012, the Board of Directors approved the cancellation of the repurchased shares, which caused a reduction in the capital reserve of R$ 26,507 and in the statutory reserve of R$ 2,800. On that same date, a Repurchase Program of 1,953,786 shares was approved, aiming to create value for the stockholders through efficient management of the Company's capital structure. Under the current repurchase plan, on April 20, 2012, 228,227 shares issued by the Company were purchased, at an average price of R$ 13.90 (maximum price of R$ 14.00 and minimum price of R$ 13.90), totaling R$ 3,174 (including brokerage fees). On September 13, 2012, 1,300,000 shares were purchased at the unit price of R$ 12.50, totaling R$ 16,258 (including brokerage fees).

As of December 31, 2012, the Company held 1,528,227 treasury shares, and their cancellation was approved at a board of directors meeting held on January 28, 2013.

On January 28, 2013, the Company closed the previous share repurchasing program and launched a new one, to acquire up to 1,870,045 shares within one year, for the same objective as in the previous programs.

On May 23, 2013, the Company acquired 80,000 common shares issued by the Company, at a price of R$ 14,42, totaling R$ 1,154 (including brokerage fees), on May 28, 2013, it acquired 120,000 shares at an unit price of R$ 14.35, totaling R$ 1,723 (including brokerage fees), on June 4, 2013, it purchased 239,700 shares at an average price of R$ 14.25 (maximum price of R$ 14.33 and minimum of R$ 14.00), totaling R$ 3,416 (including brokerage fees), on June 18, 2013, it acquired 350,000 shares at par value of R$ 14.02, totaling R$ 4,909 (including brokerage fees), and on June 20, 2013, it acquired 57,000 shares at par value R$ 13.98, totaling R$ 797 (including brokerage fees).

On June 24, 2013 the Board of Directors approved the cancellation of the total 846,700 common shares of the Company held in treasury, acquired under the share repurchase program approved on January 28, 2013.

11 Earnings per share

a. Basic earnings per share

Income per share calculation was based on the Company' income attributed to shareholders and on the weighted average for common shares as shown below.

	Consolidated and individual			
	Nine-month period ended September 30, 2013	**Nine-month period ended September 30, 2012**	**Quarter ended September 30, 2013**	**Quarter ended September 30, 2012**
Net income attributable to shareholders	38,084	32,238	10,116	8,140

Weighted average of common shares

	Consolidated and individual			
	Nine-month period ended September 2013	**Nine-month period ended September 2012**	**Quarter ended September 2013**	**Quarter ended September 2012**
Common shares in the beginning of the nine-month period ended September 30/quarter	47,849	48,194	45,556	46,023
Shares issued in the nine-month period ended September 30/quarter	675	1,826	594	1,826
Shares canceled in the nine-month period ended September 30 / quarter	(2,374)	(2,171)	-	-
Total shares	46,150	47,849	46,150	47,849
Weighted average of the Company's quantity of common shares	46,373	47,252	45,969	47,267
Basic earnings per share in the nine-month period ended September 30 / quarter	0.82	0.68	0.22	0.17

b. Diluted earning per share

In order to calculate diluted earnings per share, we assumed the exercise of the stock options already granted:

	Consolidated and individual			
	Nine-month period ended September 2013	Nine-month period ended September 2012	Quarter ended September 2013	Quarter ended September 2012
Income attributable to shareholders	38,084	32,238	10,116	8,140
Weighted average of the Company's quantity of common shares	46,373	47,252	45,969	47,267
Adjustment per stock option plan	7,899	7,712	7,899	7,712
Weighted average quantity of common shares for the Diluted earning per share	54,272	54,964	53,868	54,979
Diluted earning per share - R$	0.70	0.59	0.19	0.15

12 Net operating income

	Consolidated			
	Period ended September 2013	Period ended September 2012	Quarter ended September 2013	Quarter ended September 2012
Income related to the management fee	57,713	61,358	19,891	20,961
Income related to the performance fee	17,568	20,000	497	591
Taxes on revenues (i)	(1,949)	(2,825)	(459)	(557)
	73,332	78,533	19,929	20,995

(i) Balance comprised of taxes on gross income (ISS, PIS and COFINS)

	Individual			
	Nine-month period ended September 2013	Nine-month period ended September 2012	Quarter ended September 2013	Quarter ended September 2012
Income related to the management fee	-	43,585	-	11,704
Income related to the performance fee	-	19,417	-	8
Taxes on revenues (i)	-	(2,736)	-	(467)
	-	60,266	-	11,245

The revenues related to management fee are recognized as the services are rendered and are monthly calculated based on a percentage applied to the value of the net assets of the Fundos Tarpon (Tarpon Funds).

The revenues related to performance fees are received when the performance of the Fundos Tarpon exceed a certain threshold or minimum profitability rate (hurdle rate). Most of the funds have a parameter of inflation rate plus a fixed percentage.

Fundos Tarpon follow the concept of ‘‘high water mark’’. Therefore, the performance fee of the Fundos Tarpon is only charged if the share’s value at the time of the collection exceeds the share’s value at the time the last performance fee was charged, i.e., the last high water mark, adjusted by its profitability parameter.

As of September 30, 2013, 38.06% of the assets managed were above the applicable high water mark.

Consequently, the amount of the revenues related to performance fees may significantly change from year to year in accordance with: (i) fluctuations in the value of the net assets of the funds’ portfolios; (ii) the performance of the portfolios in comparison with hurdle rates for each fund and (iii) the realization of the net investments (since the performance fees related to these investments are only charged upon the realization of the investment).

Below we summarize the history of net returns, which reflects the monthly returns for the funds’ investors, net of (i) the management fee, (ii) the performance fee and (iii) other charges and expenses generated by the funds. The net return on the strategies is calculated based on the gross return at the closing of the month, and the items described above may cause each investor’s actual return to differ from those presented below.

	Performance						
Strategy	**Beginning**	**3Q13**	**2013**	**12 months**	**2 years**	**5 years**	**Since the beginning (annualized)**
Long Only Equity Portfolio Funds (R$)	May 2002	12.07%	5.78%	14.94%	36.74%	186.17%	29.52%
Long Only Equity Portfolio Funds (US$)	May 2002	11.08%	-3.06%	4.48%	12.62%	125.35%	26.80%
Hybrid Equity Portfolio Funds (R$)	Oct 2011	10.63%	5.66%	13.64%	23.27%	-	11.03%
Hybrid Equity Portfolio Funds (US$)	Oct 2006	5.52%	-5.93%	0.54%	6.98%	118.57%	18.98%
Market indexes		**3Q13**	**2013**	**12 months**	**2 years**	**5 years**	
Ibovespa (R$)		10.29%	-14.13%	-11.55%	0.03%	5.65%	
IBX (R$)		8.80%	-3.19%	1.51%	18.06%	28.73%	
Ibovespa (US$)		9.57%	-21.31%	-19.46%	-16.82%	-9.31%	
IBX (US$)		8.10%	-11.29%	-7.57%	-1.82%	10.50%	

13 Administrative expenses

	Consolidated			
	Nine-month period ended September 2013	**Nine-month period ended September 2012**	**Quarter ended September 2013**	**Quarter ended September 2012**
Maintenance of the office	3,745	2,926	1,234	875
Outsourced services	2,121	3,507	512	1,274
Representation expenses	971	1,588	380	422
Depreciation and amortization	390	375	133	127
Information system expenses	170	252	93	83
Expenses with fees and other contributions	51	145	20	48
Other expenses	496	697	174	215
	7,944	9,490	2,546	3,045

	Individual			
	Nine-month period ended September 2013	**Nine-month period ended September 2012**	**Quarter ended September 2013**	**Quarter ended September 2012**
Outsourced services	595	2,715	98	748
Maintenance of the office	3	2,107	-	511
Representation expenses	-	1,030	-	185
Depreciation and amortization	-	251	-	64
Information system expenses	-	76	-	12
Expenses with fees and other contributions	2	107	1	32
Other expenses	-	498	-	119
	600	6,784	99	1,671

14 Stock option plan

On February 16, 2009, the Company’s shareholders approved the Company’s stock option plan. This Plan authorizes the granting of 13,724 thousand stock options, whose vesting conditions, maximum term and payment method are described below.

The aim of the Plan is to allow managers (members of the Board of Directors and Executive Board), employees who hold managerial positions and other employees, including those of companies that belong to the Funds’ portfolios, as well as individuals who provide services to the Company purchase common shares representing up to 25% of the total shares issued, as determined by the Board of Directors. Each option granted allows the right to subscribe one share of the Company.

Of the total options granted under the Plan, (a) up to 70% can be granted as from the date the Plan becomes effective; (b) up to 7.5% as from July 1, 2009, (c) up to 7.5% as from July 1, 2010, (d) up to 7.5% as from July 1, 2011, and (e) up to 7.5% as from July 1, 2012. Options not granted on any granting date previously mentioned may be granted on the subsequent granting dates.

The options granted become exercisable as follows:

- The first portion of options, granted on March 10, 2009, became exercisable at the rates of 20% on March 10, 2009, 20% on July 1, 2009 and 20% on each of the three subsequent anniversaries after July 1, 2009;

- The second portion of options, granted on March 10, 2009, became exercisable at the rates of 20% on July 1, 2009 and 20% on each of the four anniversaries after July 1, 2009; and

- The options granted as from July 1, 2009 will become exercisable at the rate of 20% on each July 1 of the five fiscal years subsequent to the respective granting date, except for the options returned. The same rule applies to the options granted as from July 1, 2010, July 1, 2011 and July 1, 2012.

Options granted but not exercised which became available for granting in the event of termination of their holders can be granted on any date up to July 1, 2017, and will become exercisable at the rate of 20% in each of the five fiscal years subsequent to the respective granting date.

In the event the current controlling shareholders cease to jointly hold at least 30% of the total shares at any time, among other hypotheses, all the options granted under the plan will become immediately exercisable.

Each portion of the plan options will expire on the fifth anniversary of the date on which the options became exercisable.

The exercise of the plan options is subject to the fulfillment of certain requirements by the beneficiary on the exercise date of the option, which includes the requirement that the beneficiary's employment relationship with the Company be maintained. In the event of voluntary termination of the beneficiary’s employment with the Company, or dismissal without cause, the beneficiary may exercise only those exercisable options it holds, within thirty days from the employment termination date, and the options which are not exercised or exercisable will be available again for grantings under the stock option plan. In the event the beneficiary is dismissed for cause, they will not be allowed to exercise any of the options they have been granted. In this case, all the options which have not been exercised or which are not exercisable will once again be available for grantings under the stock option plan.

The exercise price of each option granted is equivalent to the higher of (i) R$ 5.60 per share (adjusted by dividends paid by the Company from the Plan's initial approval date to the date the option was granted) and (ii) 75% of the quoted share price on the last trading session prior to the granting date. The options' exercise price will be reduced by dividends paid by the Company, up to a limit which consists of the higher of: R$ 2.53 per share or 45% of the quoted share price on the date prior to the granting of said option.

The option's exercise price shall be paid in full by the beneficiary in cash. No beneficiary is authorized to sell the shares purchased for a period of 12 months from the exercise date of the respective option.

The description of all grantings are as follows (consolidated):

	Granted				Returned			Exercised					To be exercised		
	Quantity (thousand)	**Fair value of options on the date of granting - R$ per share**	**Total in R$ thousand**	**Strike price in the grant date**	**Quantity (thousand)**	**Fair value of options on the date of granting - R$ per share**	**Total in R$ thousand**	**Quantity**	**Average exercise price**	**Total in R$ thousand**	**Exercise dates**	**Average market price for each year**	**Quantity (thousand)**	**Exercise price as of September 30, 2013**	**Total in R$ thousand**
1st and 2nd granting (March 10, 2009)	7,662	0.38	2,951	5.6	(226)	0.38	(94)	7,286	2.59	19,122	March 10, 2010, January 7, 2011, July 4, 2011, August 15, 2011, July 31, 2012 and July 29, 2013	15.25	150	2.53	380
3rd granting (November 30, 2009)	2,493	4.08	10,181	5.4	(332)	4.08	(1,387)	1,648	3.06	5,039	January 7, 2011, July 4, 2011, August 15, 2011, July 31, 2012 and July 29, 2013	14.99	513	2.53	1,297
4th granting (February 19, 2010)	530	4.67	2,477	5.23	(182)	4.67	(861)	214	3.38	723	July 4, 2011, August 15, 2011, July 31, 2012 and July 29, 2013	14.75	134	2.53	339
5th granting (August 19, 2010)	1,115	6.72	7,488	8.59	(299)	6.72	(2,031)	318	5.94	1,941	July 4, 2011, August 15, 2011, July 31, 2012, January 28, 2013 and July 29, 2013	15.13	498	4.81	2,546
6th granting (August 8, 2011)	960	8.07	7,745	11.4	(230)	8.07	(1,853)	56	10.74	609	January 28, 2013, April and July 29, 2013	15.26	674	10.50	7,079
7th granting (August 9, 2012)	560	6.51	3,646	9.49	-	-	-	-	-	-		-	560	8.59	4,812
8th granting (September 20, 2012)	50	6.88	344	10.12	-	-	-	-	-	-		-	50	9.22	461
Total Plan:	13,370		34,832		(1,269)		(6,226)	9,522		27,434			2,579		16,914

In relation to the balances recorded under the "Stock option plan" account, both in shareholders' equity and profit or loss (consolidated), the following should be noted:

In thousands of Reais	**Nine-month period ended September 30, 2013**	**Nine-month period ended September 30, 2012**	**Quarter ended September 30, 2013**	**Quarter ended September 30, 2012**
Stock option plan	3,425	5,064	904	1,420
Exercised	(2,909)	-	-	-

The valuation of the Stock Option Plan is prepared using the Binomial Tree Model, which was applied on the date of each granting considering the market parameters. The following assumptions were adopted on each granting date:

	March 10, 2009 (*)	**November 30, 2009**	**February 19, 2010**	**August 19, 2010**	**August 8, 2011**	**August 9, 2012**	**August 20, 2012**
Average annual volatility	70%	34%	28%	23%	20%	24%	20%
Current price of the share	1.29	6.87	7.84	11.45	15.20	12.65	13.77
Exercise price of the plan options pursuant to the terms and conditions of the program	5.60	5.40	5.23	8.59	11.40	9.49	10.12
Risk-free interest rate	13.00%	8.75%	8.63%	10.75%	11.90%	10.15%	9.10%
Expected dividends	6.2%	4.7%	4.5%	6.9%	6%	6%	6%

(*) On this date, the shares of Tarpon Investimentos S.A were not traded on BM&FBovespa.

For the determination of the expected volatility, the parameters used were, among others, the Ibovespa indexes and the trading prices of the Tarpon (TRPN3) shares during the periods in which the options were granted.

15 Income tax and social contribution calculation statement

Rate reconciliation

Taxable income (at September 30, 2013 and 2012)

	Individual			
Determination of the calculation basis	**Nine-month period ended September 30, 2013**	**Nine-month period ended September 30, 2012**	**Quarter ended September 30, 2013**	**Quarter ended September 30, 2012**
Income before income and social contribution taxes (i)	37,979	47,741	10,065	11,098
Income and social contribution taxes to rates	(12,902)	(16,232)	(3,416)	(3,773)

	Individual			
Determination of the calculation basis	**Nine-month period ended September 30, 2013**	**Nine-month period ended September 30, 2012**	**Quarter ended September 30, 2013**	**Quarter ended September 30, 2012**
Effect of additions and deductions on the calculation of taxes:				
Adjustment RTT	-	63	-	17
Option plan	-	(1,612)	-	(373)
Equity in net income	13,124	2,287	3,467	1,171
Managers' variable remuneration	-	(9)	-	-
Income accrued abroad	(2,648)	(3,654)	(997)	(1,792)
MTM – Derivative financial instrument	(117)	-	-	
Total taxes	(2,543)	(19,157)	(946)	(4,750)
Tax credit arising from the tax paid in New York	2,648	3,654	997	1,792
Income and social contribution taxes for the year	105	(15,503)	51	(2,958)

The consolidated amount of income and social contribution taxes for the nine-month period/quarter includes subsidiaries' expenses, totaling R$ 9,261 and R$2,678, respectively.

a. Deferred taxes

The Company's wholly-owned subsidiary, Tisa NY, Inc., calculated a profit in the semester ended September 30, 2013, which was taxed at the rate of 35% (federal tax), in addition to the other municipal and state taxes levied. As of September 30, 2013, the provision for these taxes totaled R$ 4,680.

The Company could offset 34% of the taxes due on the profit accrued by the subsidiary against the taxes paid abroad, as provided for in the Brazilian legislation. This amount, R$ 2,648, was recorded as deferred taxes in the Company's balance sheet.

In the consolidated balance sheet, the amount of R$4,818, referring to the prepayment of federal, state and municipal taxes made by the subsidiary in the quarter, was recorded within the "Other assets" line item.

16 Contingencies

As of September 30, 2013, the Company recorded no contingent liabilities, and, in Management's evaluation, no lawsuits were outstanding that could represent possible or probable losses.

17 Related parties

The main balances of assets and liabilities as of September 30, 2013 and December 31, 2012, as well as the operations that influenced the income for the same years ended, related to operations with related parties, result from Company's operations with Management's key professionals.

	Assets/(Liabilities/ Shareholders' equity)		Banco do Brasil S.A. and subsidiaries			
Consolidated	**September 30, 2013**	**December 31, 2012**	**Nine-month period ended September 2013**	**Nine-month period ended September 2012**	**Quarter ended September 2013**	**Quarter ended September 2012**
Dividends payable	-	(21,510)				
Dividends approved	-	(29,467)				
Short-term benefits to the Management **(*)**	-	-	(3,272)	(2,898)	(1,118)	(940)
Stock option plan to the Management	(4,847)	(2,505)	(1,551)	(1,056)	(404)	(266)

(*) Key management personnel are not entitled to any type of post-employment benefits, other long-term benefits and employment termination benefits.

18 Other details

a. Financial leases

Property and equipment items purchased through finance leases (refer to note 9) present the following liabilities:

	Future minimum lease payments	Interest	Present value of minimum lease payments
Less than 1 year	27	2	25
Total at September 30, 2013	**27**	**2**	**25**
Less than 1 year	249	23	226
Between 1 and 5 years	27	2	25
Total at September 30, 2012	**276**	**25**	**251**

b. Other assets

On September 30, 2013, other assets in consolidated and individual financial statements are comprised substantially of IRRF (withheld income tax), CSSL (social contribution on net income), PIS, COFINS and federal, municipal and New York state taxes prepaid in the amount of R$1,884 - individual and R$6,634 - consolidated (as of December 31, 2012, R$6,961 - individual and R$14,554 - consolidated) other withheld taxes to offset, R$459 - consolidated (R$1,888 - individual and consolidated - as of December 31, 2012), and prepaid expenses, R$1,981 - consolidated (R$470 - individual and R$2,380 - consolidated, as of December 31, 2012).

c. Accounts payable

It is essentially comprised of amounts overdue to suppliers totaling R$6 (individual) and R$989 (consolidated) and, as of December 31, 2012, R$191 (individual) and R$580 (consolidated), as well as financial liabilities deriving from financial lease payable R$25 (consolidated) and R$205 (consolidated) as of December 31, 2012.

d. Taxes payable

The amounts due comprise R$ 69 (individual) and R$ 120 (consolidated) of third-party taxes (R$ 65 - individual and R$ 86 - consolidated as of December 31, 2012); R$ 223 consolidated for PIS and COFINS (R$ 266 individual and R$ 337 as of December 31, 2012), R$ 58 consolidated for ISS (R$ 210 as of December 31, 2012) and R$ 2,644 (individual) for IRPJ and CSLL (R$ 19,839 as of December 31, 2012) and R$ 9,082 (consolidated) for federal, state and municipal taxes in the USA (R$ 28,093 as of December 31, 2012).

e. Labor liabilities and personnel expenses

The balance comprises social charges on salaries, accrued vacation, 13th salary and employee profit sharing and bonuses, totaling R$ 20 (individual) and R$ 2,914 (consolidated) (as of December 31, 2012, R$ 42 - individual and R$ 2,042 - consolidated). Personnel expenses (Company and consolidated) are composed of expenses on compensation, payroll charges, profit sharing, and bonuses totaling R$ 56 (Company) and R$ 14,395 (consolidated). As of September 30, 2012, they totaled R$1,936 for the quarter and R$11,477 for the nine-month period (individual); R$3,408 for the quarter and R$14,076 for the nine-month period (consolidated).

19 Subsequent events

The Board of Directors' meeting held on October 10, 2013 approved the granting of 1,191,721 stock options to certain beneficiaries of the Plan, whose fair value on granting date was R$8.15, calculated based on binomial tree.

The Board of Directors' meeting held on November 4, 2013 approved the issuance of 138,000 shares of the Company, in the context of stock options exercise by the Plan's beneficiaries. Of total subscription price, in the amount of R$1,267, R$1,140 was allocated to capital reserve and R$127 to the Company's capital.

* * *

Executive Board

Chief Executive Officer
Eduardo Silveira Mufarej

Investor Relations Director and Accountant
Caroline Miranda
CRC 1SSP-255926/O-6