

São Paulo - SP, As of August 14th, 2017. Tarpon Investimentos S.A. ("Tarpon" or "the Company"), through its subsidiaries, conducts public and private equity investment activity through funds and managed accounts under its management ("Tarpon Funds"). The release was issued in accordance with accounting practices adopted in Brazil and with the IFRS.

STOCK MARKET

Ticker: TRPN3
O/S: 44.115 stocks
Stocks in treasury: 155 k Stocks
Stock Price (11/08/2017): R\$ 3.60
Market Cap: R\$ 158,8 million
Daily Volume LTM: 25.5 k stocks

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2Q17 – Highlights

- ✓ **Assets under management:** As of June 30th, 2017, R\$ 5.1 billion in the portfolio funds strategies and R\$ 1.5 billion in the co-investment strategy, amounting R\$ 6.6 billion of assets under management.
- ✓ **Performance:** Registered gross profits of R\$ 153 million and R\$105 million in the portfolio funds and co-investment funds, respectively.
- ✓ **Subscription and Redemptions:** Redemption of R\$ 218 million in the portfolio funds and R\$ 838 million in the co-investment funds in 2Q17.
- ✓ **Gross Revenue:** Management fee and performance amounted to R\$ 11.4 million in 2Q17.
- ✓ **Net Income:** Profits amounted R\$ 5.5 million in 2Q17.

About Tarpon Investimentos

Through its subsidiaries, Tarpon carries out the management of funds dedicated to investments in public and private companies, with the objective of achieving absolute long-term returns above the market.

Our business model is focused on generating value in companies in the long term, and our main investments involve controlling interests or as a relevant shareholder of such companies, with participation in their management. Within this model, we highlight our investments in BRF, Somos Educação, Omega Energia Renovável and Cremer.

In addition, we manage a portfolio dedicated to investments in the stock exchange, focusing on opportunities whose market value is substantially lower than our perception of intrinsic value.

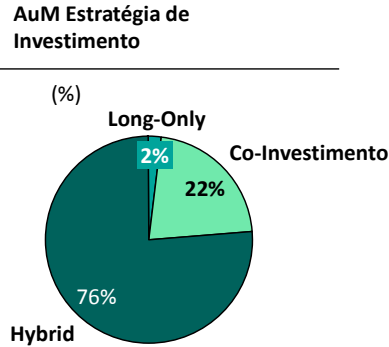
Market Overview

At the beginning of the quarter, after many years, we observed a significant improvement in the main indicators of the Brazilian economy (interest rates, inflation, stock market, CDS). However, the new corruption scandals involving the JBS delinquency and President Temer have once again provoked a strong sense of market uncertainty, especially in relation to the Federal Government's ability to continue to promote the reform agenda.

Nonetheless, we expect the trend of structural recovery in inflation and interest rates to persist, even at a slower pace than expected before the outbreak of the new scandals, which should contribute to the reduction of the cost of capital of our companies.

Investment strategy

We conduct our asset management activities through two main investment strategies: Portfolio Funds, divided in Long-Only Equity and Hybrid Equity and Co Investment Fund. In the chart below we present the AuM breakdown between strategies:



Portfolio Funds

The investment strategy at portfolio funds comprises fund that invest only in public company shares listed on stock exchange (Long-Only Equity) and funds held both stock market investments and illiquid investments/private equity (Hybrid Equity).

As of June 30th, 2017, the AuM allocated to this strategy amounted R\$ 5.1 billion.

Co-Investment Strategies

The co-investment strategy consists of funds with the purpose to invest in a Company or in specific opportunities along other Tarpon Funds.

The strategy of these funds is to invest in companies in which the portfolio funds’ already have exposure considered ideal, allowing us to increase the participation in certain invested Companies.

As of June 30th, 2017, the AuM allocated to this strategy amounted R\$ 1.5 billion.

Investment performance

The Portfolio Funds Hybrid-Equity strategy posted on 2Q17 net returns of 2.9% in R\$ and -2.1% in US\$. Net annualized performance is -2.0% in R\$ and 5.3% in US\$ since launch.

In 2Q17, the Portfolio Funds Long-Only Equity strategy posted net returns of 9.6% in R\$ and 5.5% in US\$. The accumulated annualized returns of this strategy, net of taxes and expenses, is 18.8% in R\$ and 13.4% in US\$.

For illustrative purposes, in the 2Q17, Ibovespa and IBRX Indexes posted returns of -3.6% and -2.9%, respectively (both in R\$). Returns in US\$ were -9.0% and -8.3% for Ibovespa and IBRX, respectively:

Strategy	Lauch	2Q17	YTD	Performance ¹		
				2 years	5 years	Since Lauch (annualized)
Long Only Equity (R\$)	may 2002	9.6%	2.4%	-25.1%	-10.1%	18.8%
Long Only Equity (US\$)	may 2002	5.5%	-5.8%	-34.7%	-49.2%	13.4%
Hybrid Equity (R\$)	sep 2011	2.9%	-0.4%	-26.1%	-11.7%	-2.0%
Hybrid Equity (US\$)	oct. 2006	-2.1%	3.0%	-29.0%	-44.4%	5.3%

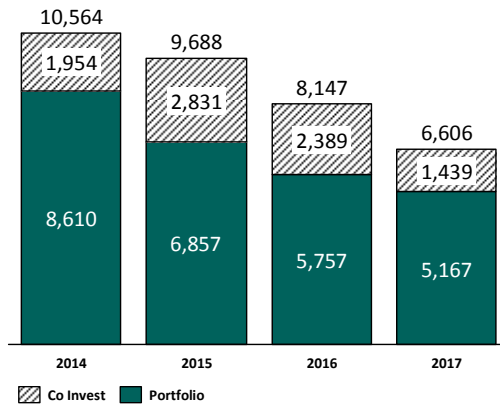
(1) Performance net of fees.

Assets under management

Our assets under management ("AuM") amounted to R\$ 6.6 billion as of June 30th, 2017, a decrease of 17.4% when compared to the same period of the prior year due.

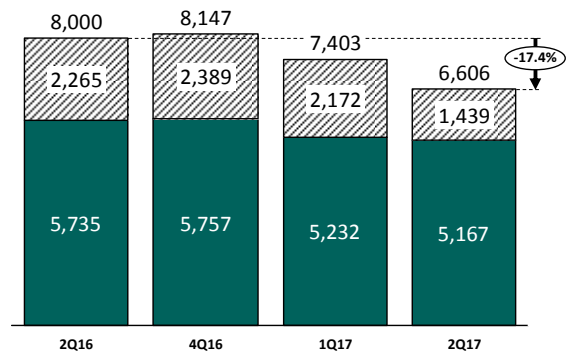
AuM Evolution - Annual

(R\$ MM)



AuM Evolution - Quarter

(R\$ MM)

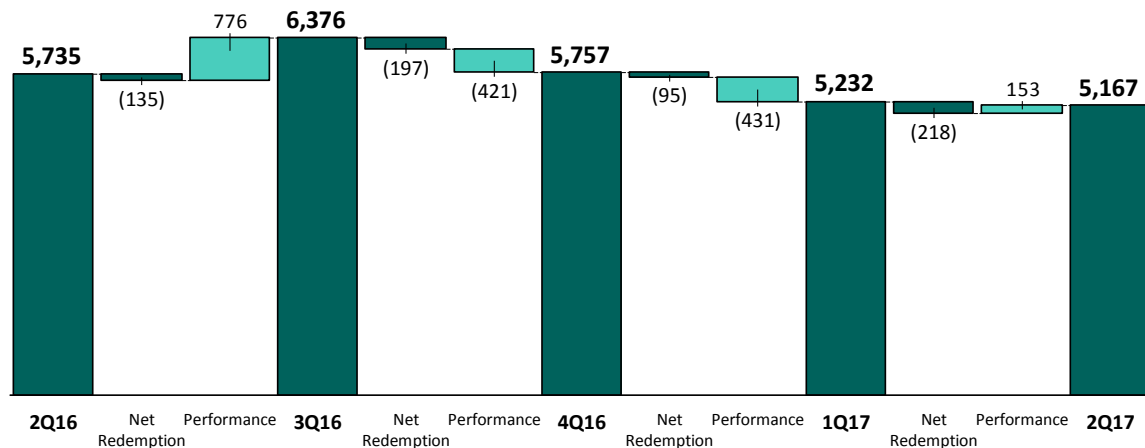


AuM Portfolio Funds

The Portfolio Funds, for 2Q17, registered net redemptions of R\$ 218 million and gross performance of R\$ 153 million.

AuM Evolution Portfolio - Quarter

(R\$ MM)



- (1) The market value for illiquid investments are measured with bases in quarterly internal valuations, according with accounting practices applicable to investment funds. The fair value of certain investments may differ from the market price of the assets, due to the illiquidity of the positions held by the Tarpon Funds in the companies.

As of June 30th, 2017, the AuM for portfolio funds allocated to investments classified as liquid represented 50.5% of the total AuM of portfolio funds. Investments classified as illiquid (represented mainly by investments in Somos Educação, Omega Energia and Cremer), valued at market value⁽¹⁾, corresponded to 49.5% of the AuM of the portfolio funds.

Recently, Omega Geração S.A., a company controlled by Tarpon Funds, concluded an Initial Public Offering of its shares. Nevertheless, such an investment will continue to be classified as an illiquid investment.

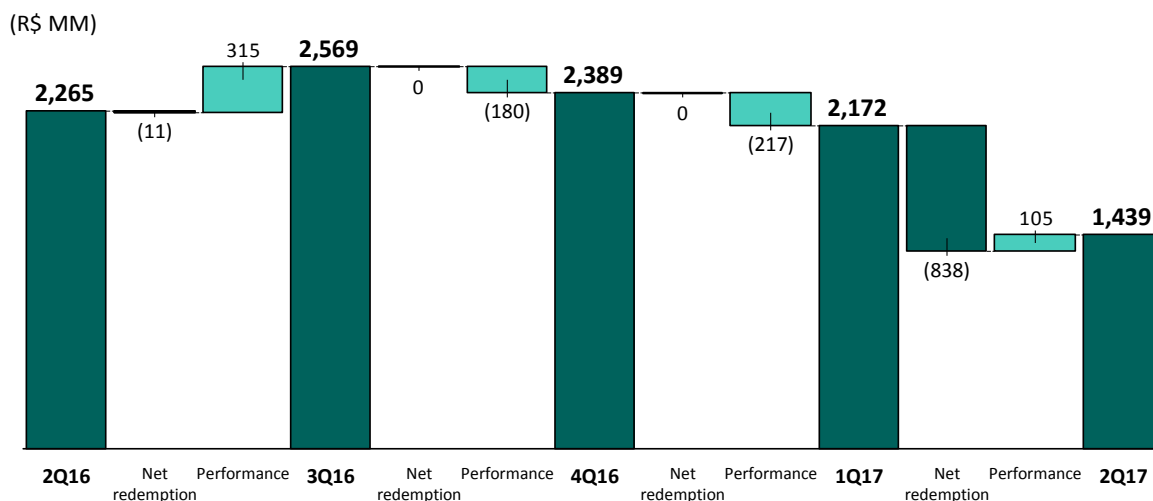
Approximately 87.9% of the AuM of the portfolio funds belong to the "family of funds" Tarpon Partners, whose liquidity terms are more restrictive than the other portfolio funds. As a general rule, the Tarpon Partners investor may redeem quarterly a 90-day grace period for the redemption request up to 1/12 of the respective net investment balance, so that the term of payment of a full redemption of the investments shall be three years after grace period. However, illiquid investments are not subject to redemption while they remain classified, and Tarpon must seek to transfer to the net investment account or sale until the 8th anniversary (including extensions) of the respective investment.

The expected redemptions to be paid on the end of next quarter (3Q17), considering those already made in 2Q17 and prior periods, and not considering any variation on the funds net carry amount since June 30th, 2017, equivalent of 6.0% of the total liquid investment funds.

AuM for Co investment Funds

In the co-investment funds, we had redemptions of R\$ 838 million, related to the maturity of the term of the fund with specific purpose of investment in BRF, as anticipated in the previous quarter's report. The gross performance of 2Q17 was R\$ 105 million.

AuM Evolution Co Investment - Quarter



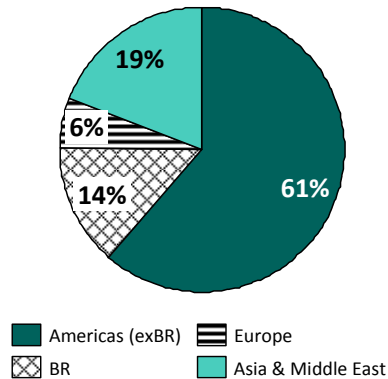
From the total AuM amount of co investment funds, 70.0% are not subject to management fee and the performance fee is charged only on the divestment of the fund, mainly referring to a fund of specific purpose for investment in Somos Educação. The remainder is subject to a quarterly collection of management fee and annual performance fee calculation.

Investor base

As of June 30th, 2017, institutional investors, mainly endowments, foundations, pension funds and sovereign wealth funds, accounted for 57.7% of total AuM. The invested proprietary capital represented 10.4% of total assets.

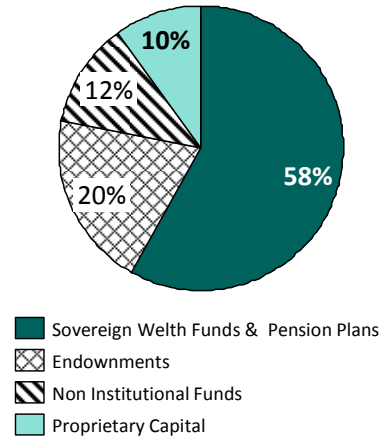
AuM by Region

(%)



AuM Investor Type

(%)



Financial Highlights

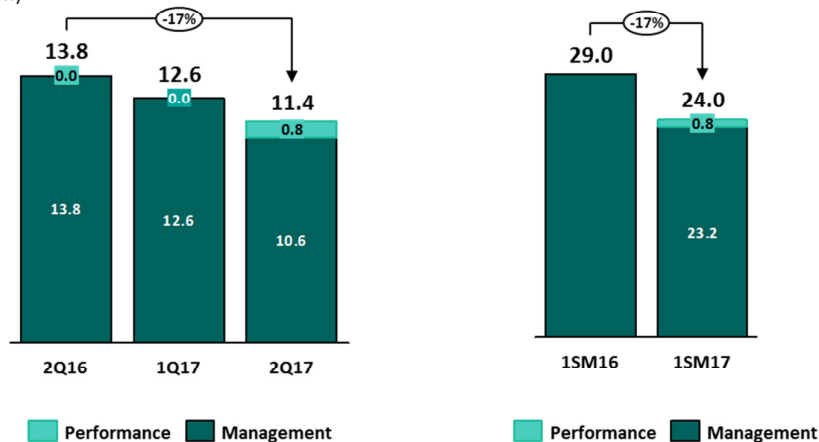
Operating revenues

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.

During the 2Q17, the gross operating revenues amounted R\$ 11.4 million, a decrease of 17.4% when compared to 2Q16. This reduction is consequence from the decrease of AuM Tarpon funds on 2Q17, compared to 2Q16.

Operating Revenues

(R\$ MM)



Revenues related to management fees

Management fees are charged on the Tarpon Funds based on the amount of invested capital. Gross revenues related to management fees amounted to R\$ 10.6 million in 2Q17, equivalent to 93% of the operating revenues of the period.

The basis of collection of administration fee, in the case of illiquid investments, is the acquisition cost or the fair value of the investments, whichever is lower. Therefore, any goodwill calculated on the revaluation of gross investments above the respective acquisition cost will not impact the collection of management fees on these investments.

Revenues related to performance fees

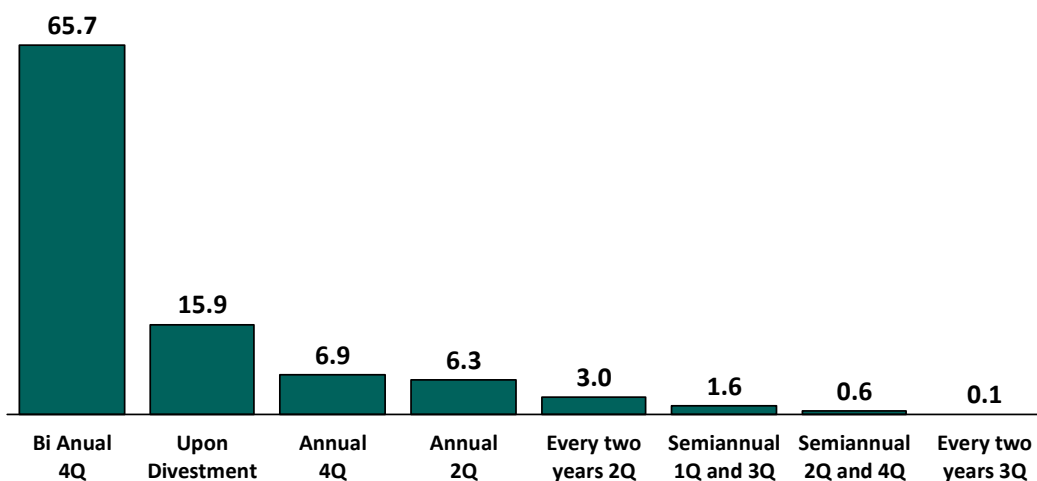
Performance fees are payable when the Tarpon Funds' performance exceeds certain hurdle rates. The hurdles primarily are inflation index plus 6.0% per year.

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 fund exceeds the NAV of the previous performance fee collection date, adjusted by the hurdle rate.

The Tarpon funds are entitled to collect performance fees on distinct dates. Below is the current distribution of our AuM by performance collection period:

Distribution of the performance fee collection

(% AuM)



During the 2Q17, the total gross revenue related to the performance rate was R\$ 793 thousand, obtained from the portfolio dedicated only to the stock exchange.

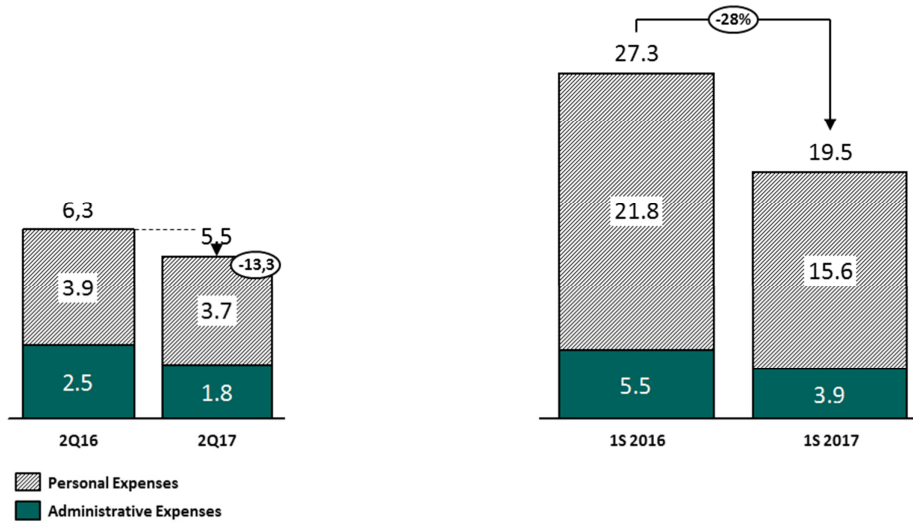
Operating expenses

Operating expenses is comprised of general and administrative expenses, payroll, and other expenses related to depreciation, travel expenses, provisions for profit sharing program, stock option plans (with no cash effect) and variable remuneration.

During the 2Q17, operating expenses totaled R\$5.5 million, a decrease of 13.3% when compared to the same period of 2Q16.

Operating Expenses

(R\$ MM)



Taxes

Income taxes and social contribution amounted to R\$ 353 thousand during 2Q17.

Net Income

Tarpon registered a net income of R\$ 5.5 million during 2Q17.

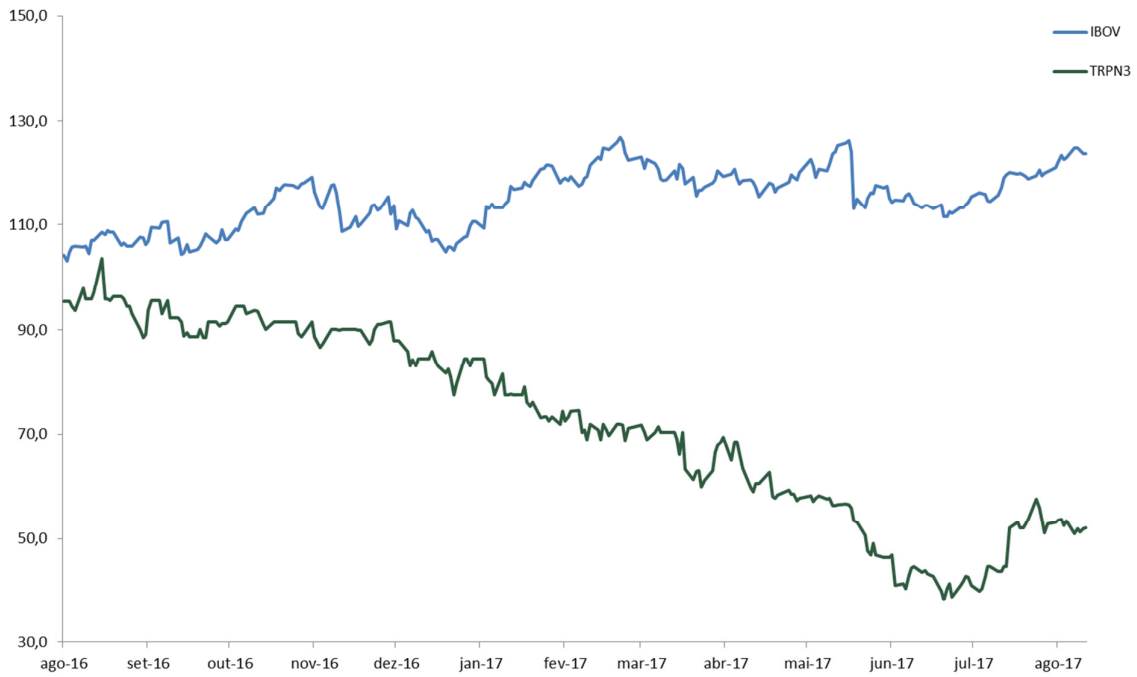
Net Income

(R\$ MM)



Our shares are traded on the Novo Mercado segment of BM&FBOVESPA under the ticker TRPN3. Tarpon has Fiscal Counsel and Audit Committee.

Considering date price of R\$ 3.6, the company's market value is R\$ 158 million.



Attachments - Reports

Consolidated Income Statement

Financial highlights - R\$ million

Income Statement	2Q17	2Q16	Var.%	1S 2017	1S 2016	Var.%
Gross revenues	11.4	13.8	-18%	24.0	29.0	-17%
Management fees	10.6	13.8	-23%	23.2	29.0	-20%
Performance	0.8	0.0	100%	0.8	-	100%
Net revenues	11.1	13.5	-18%	23.4	28.4	-17%
Operating Expenses						
Personal Expenses	(3.7)	(3.9)	-5%	(15.6)	(21.8)	-29%
Administrative Expense and others	(1.8)	(2.5)	-28%	(3.9)	(5.2)	-25%
Net Income after Operating Expenses	5.6	7.1	-21%	3.9	1.4	184%
<i>Gross margin</i>	50%	53%		17%	5%	
Finance Income	0.3	(0.1)	-400%	0.6	(3.1)	-119%
Income tax and social contribution	(0.4)	(1.4)	-71%	(2.3)	(2.4)	-4%
Net Income	5.5	5.6	-2%	2.2	(4.1)	-154%
<i>Net margin</i>	50%	41%		10%	-15%	
Earnings per share (R\$/share)	0.13	0.13	-1%	0.05	(0.09)	-154%
O/S	43,959	44,115	0%	43,959	44,115	0%
AuM (end of period)	6,606	8,000	-17%	6,606	8,000	-17%

TARPON INVESTIMENTOS

Consolidated Balance Sheet

Management Report

Financial highlights - R\$ thousands

Assets	1S 2017	1S 2016
Cash and cash equivalents	29,749	25,742
Financial assets measured at fair value through profit and loss	18,072	18,982
Receivables	1,975	395
Recoverable taxes	2,656	3,867
Other assets	6,113	8,710
Current assets	58,565	57,696
Fixed Assets	334	443
Intangible Assets	177	182
Non-current assets	511	625
Total assets	59,076	58,321
Liabilities		
Accounts payable	490	648
Financial assets derivatives	-	456
Current tax liabilities	5,616	5,662
Payroll accruals and Dividends payable	5,110	3,176
Current liabilities	11,216	9,942
Deferred Tax	247	187
Non-current liabilities	247	187
Share capital	7,085	7,085
Capital reserve	1,968	1,968
Share in Treasury	(624)	-
Legal reserve	1,415	1,415
Profit reserve	1,268	1,268
Cumulative translation adjustment	21,313	12,236
Stock options	12,943	20,758
Additional dividends proposed	-	3,462
Net Profits	2,245	-
Equity	47,613	48,192
Total liabilities and equity	59,076	58,321

Consolidated Cash Flow

Financial highlights - R\$ thousands

Cash Flow	1S 2017	1S 2016
Net income / (Loss)	2,245	(4,124)
Depreciation	164	269
Stock Options	555	1,044
Deffered Tax	60	-
Derivatives	-	4,098
Income Tax and Social Contribution Provision	2,282	2,395
Adjusted net income	5,306	3,682
Receivables	(1,580)	166
Other Assets and Liabilities	(864)	3,382
Taxes	5,626	1,854
Accounts Payable	(159)	(634)
Payroll Accruals and Dividends payable	3,447	(1,436)
Derivative Financial Instrument	(456)	(6,929)
Income tax and social contribution paid	(3,200)	(3,146)
Cash used/provided by operating activities	8,120	(3,061)
Disposal of financial assets at fair value through income write-off in fixed asset	910	19,194
(Acquisitions)/write-off in intangible assets	-	(59)
Cash provided by investing activities	910	19,135
Dividends paid	(4,975)	(1,979)
Capital Raise/Exercise of stock option plan	-	706
Purchase of treasure shares	(624)	(15,009)
Cash used in financing activities	(5,599)	(16,282)
Net decrease in cash and cash equivalents	3,431	(208)
Cash and cash equivalents at the beginning of period	25,742	34,740
Exchange rate changes on cash and cash equivalents	576	(6,823)
Cash and cash equivalents at the end of period	29,749	27,709

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Disclaimer

This document may contain forward-looking statements. Such forward-looking statements are and will be subject to many risks and uncertainties relating to factors that are beyond the Company'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 the Company, which may cause actual future results of the Company to differ materially from those expressed or implied in such forward-looking statements.

The readers are advised not to make decisions exclusively on the basis of these projections and estimates. The projections and estimates do not represent and should not be interpreted as guarantees of future performance. The Company does not undertake to publish any revisions and does not undertake to update the projections and estimates with regards to any future events or circumstances that may occur after the date of this document.

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