

TARPON
INVESTIMENTOS

3Q11 EARNINGS RESULTS

November 11th, 2011

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

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3Q11 highlights

3Q11
Results

AUM

Assets under management (“AuM”) amounted to R\$6.2 billion as of September 30th 2011, (+10% over the same period of 2010)

Fund's Performance

Absolute returns (Jan – Sep 2011)
Portfolio Fund's Long Only Equity: -2.4% (R\$) and -15.0% (US\$)
Portfolio Fund's Hybrid Equity: -9.6% (US\$)
Ibovespa Index: -24.5% (R\$) and -32.1 % (US\$)

Fees business

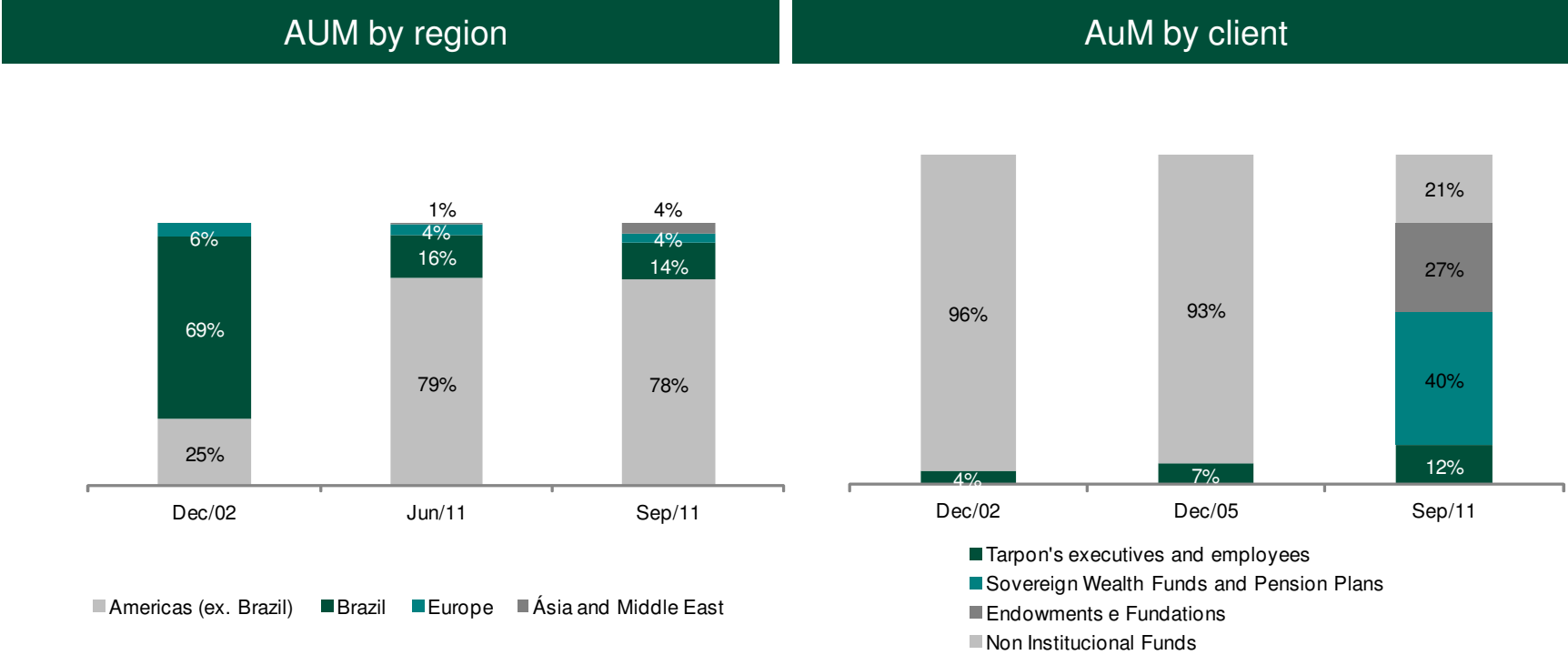
Gross revenues related to our fee business: R\$234.9 million in 9M11
(+22% over 9M10)

Net Income

R\$6.6 million in net income during 3Q11, R\$101.2 million in net income for 9M11.

Tarpon's AuM composition

Major portion of our assets under management coming from long-standing clients. Capital from our employees and executives represented 12% of AuM as of September 30th, 2011.



Investment strategy

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

Portfolio Funds Strategy

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

Launched in May/2002

Co-investment strategy

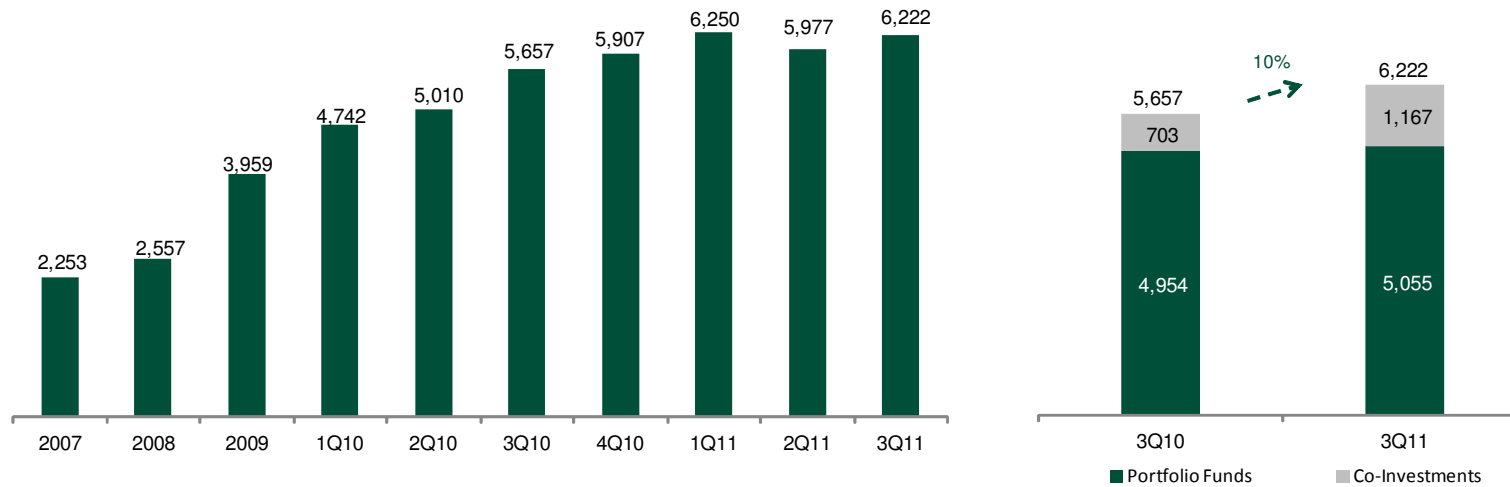
The Co-investment strategy serves as a sidecar/co-investment structure whose primary objective is to increase Tarpon's exposure to selected invested companies.

Launched in Mar/2010

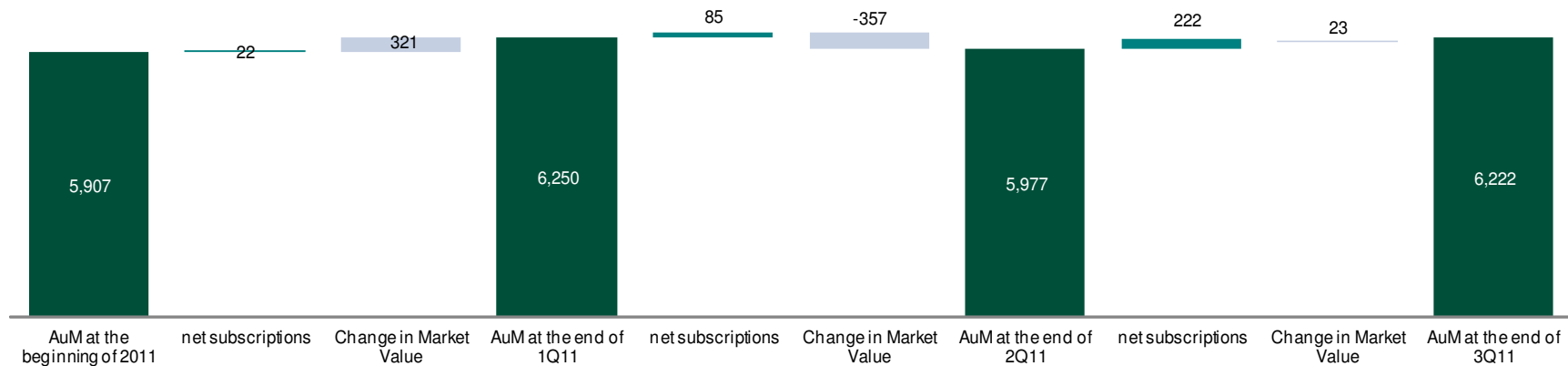
Assets under Management

3Q11
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Total Historical AuM - R\$ million



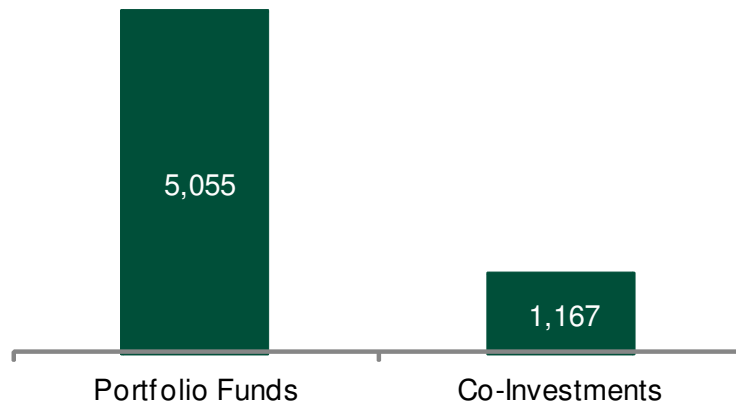
AuM growth: performance & net commitments - R\$ million



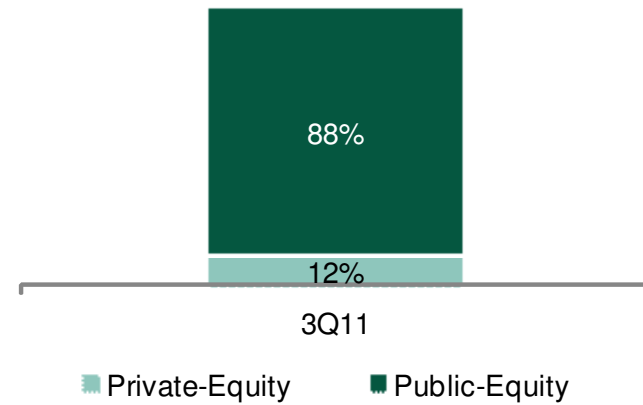
AuM by investment strategy & asset class

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AuM by investment strategy - R\$ million



AuM by asset class



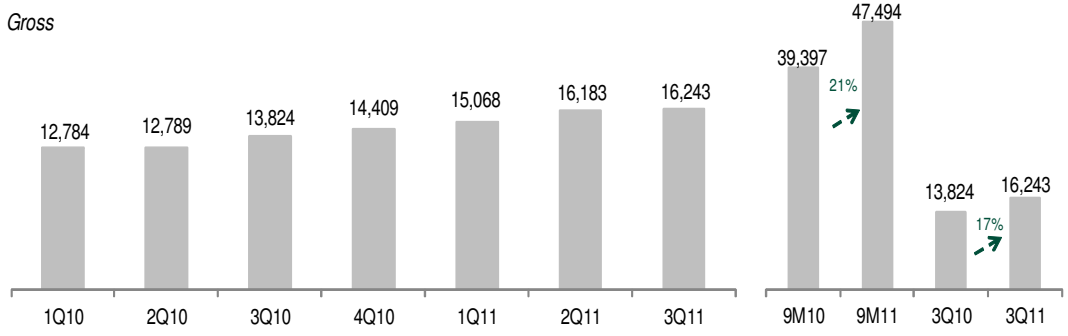
Tarpon Funds' performance

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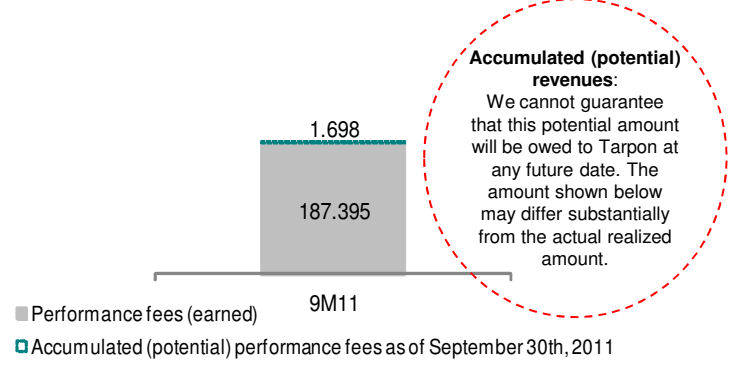
Strategy	Inception	Performance				
		3Q11	Jan – Sep 2011	2 years	5 years	Since launch (annualized)
Portfolio Funds Long-Only Equity (R\$)	May 2002	-0.8%	-2.4%	53.1%	170.9%	32.4%
Portfolio Funds Long-Only Equity (US\$)	May 2002	-16.7%	-15.0%	33.8%	182.0%	31.7%
Portfolio Funds Hybrid-Equity (US\$)	Oct. 2006	-18.5%	-9.6%	48.9%	215.5%	25.8%
Stock market index		3Q11	Jan – Sep 2011	2 years	5 years	Since May 2002 (annualized)
Ibovespa (R\$)		-16.1%	-24.5%	-14.9%	43.5%	16.4%
IBX (R\$)		-13.1%	-18.9%	-7.9%	52.1%	19.6%
Ibovespa (US\$)		-29.4%	-32.1%	-18.4%	68.3%	19.5%
IBX (US\$)		-26.8%	-27.1%	-11.7%	78.4%	22.8%

Financial highlights – R\$ million

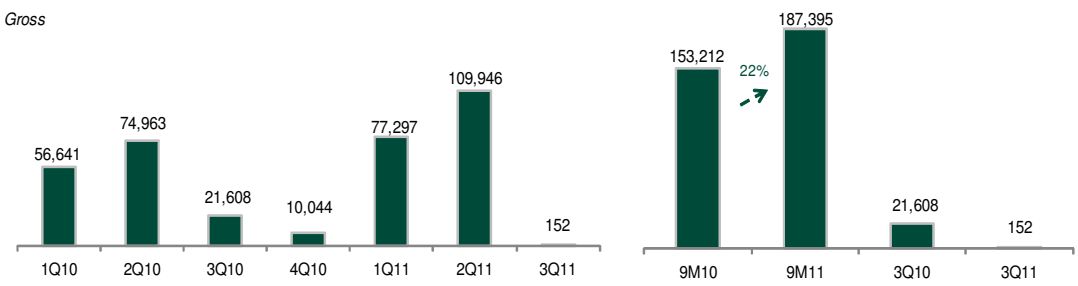
Revenues related to management fees



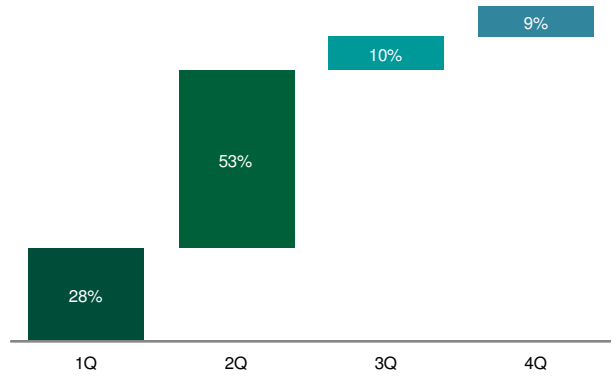
Potential performance revenues



Revenues related to performance fees



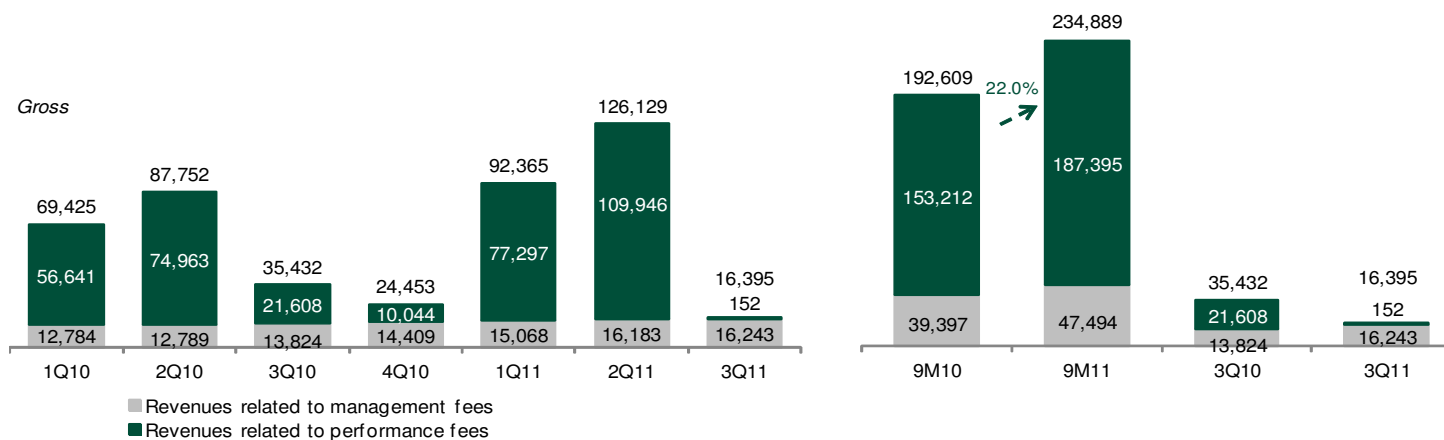
Fee Payment Schedule



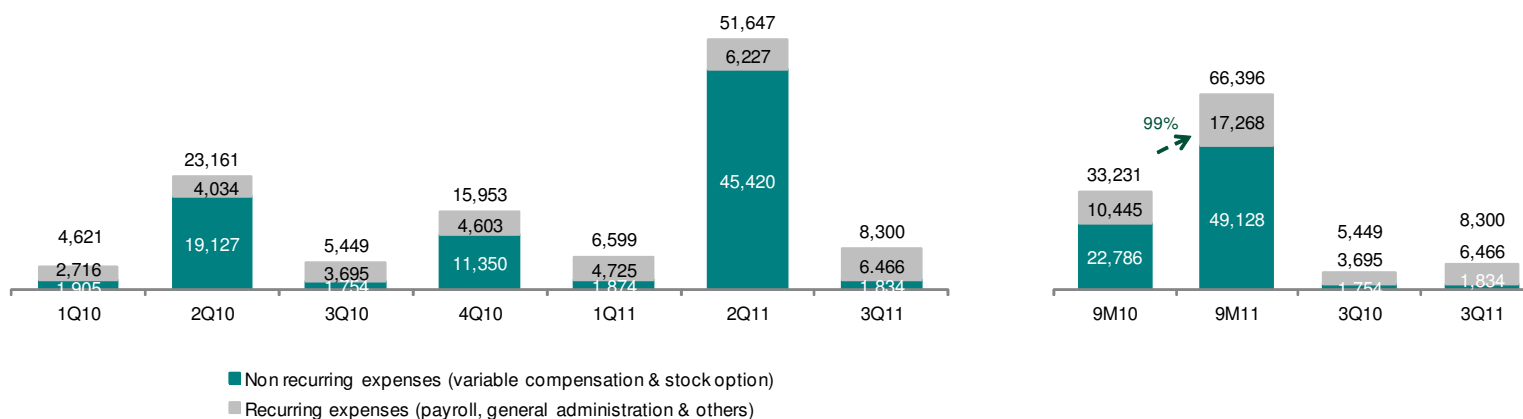
Financial highlights – R\$ million

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Results

Total revenues



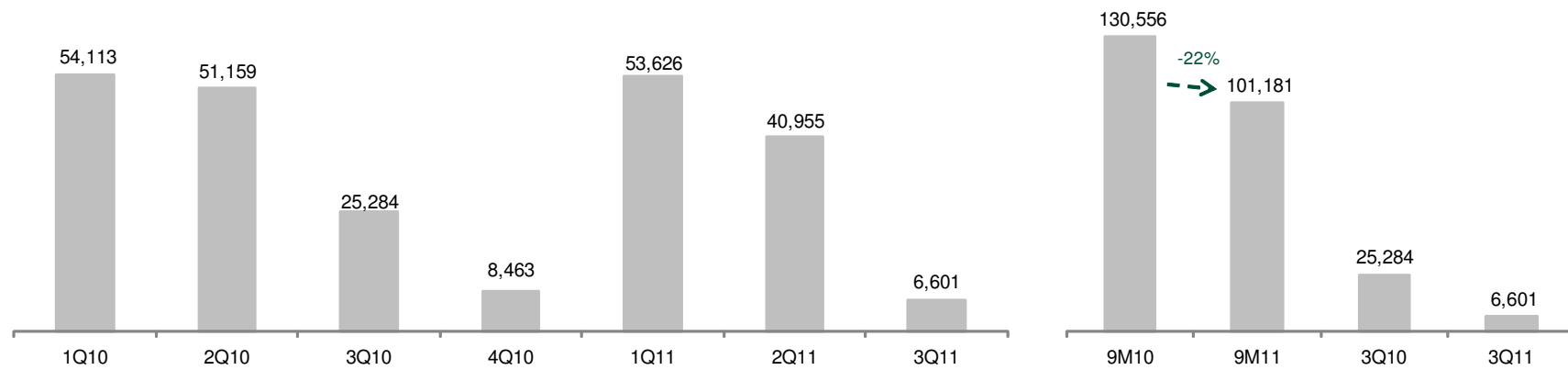
Total operating expenses



Financial highlights – R\$ million

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Results

Net income



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Appendix

TRPN3 performance

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Results

Tarpon Investimentos S.A.

O/S: 48,193,455

Stockmarket: BM&F Bovespa / Novo Mercado

Ticker: TRPN3

Listing: 05/26/2009

Share Price 11/08/2011: 16.00

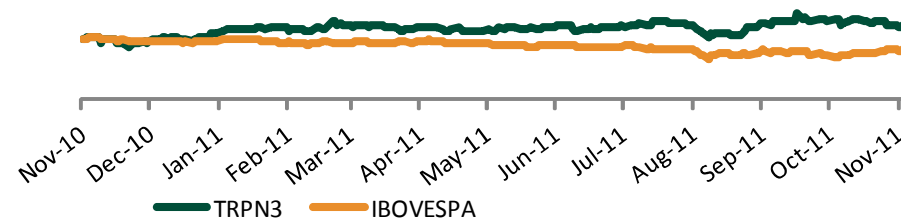
Market Cap: R\$771.1 million

Share Performance:

3Q11: 6.15%

YTD (November 8th): 7.4%

LTM: 14.80%



Income statement – consolidated

3Q11
Results

<i>In R\$'000</i>	3Q11	9M11	3Q10	9M10
Net revenues	15,419	221,829	33,523	182,669
Personnel expenses	(3,581)	(8,691)	(1,762)	(5,369)
Stock option	(1,834)	(5,503)	(1,754)	(5,614)
Administrative expenses	(2,698)	(8,337)	(1,955)	(3,823)
Variable compensation	-	(43,625)	-	(17,172)
Other income/(expense)	(37)	(240)	22	(1,254)
Share of profit of equity accounted investees	(164)	(164)	-	(253)
Results from operating activities	7,105	155,269	28,074	149,184
Financial income / (expense)	3,935	7,890	1,596	3,512
Profit before income tax	11,040	163,159	29,670	152,696
Income tax and social contribution	(4,439)	(61,978)	(4,386)	(22,268)
Minorities	-	-	-	128
Net income	6,601	101,181	25,284	130,556

Cash Flow – consolidated

3Q11
Results

<i>In R\$'000</i>	3Q11	9M11	3Q10	9M10
Net income	6,601	101,181	25,284	130,556
Depreciation	61	195	31	58
Profit from equity accounted investees	164	164	-	125
Stock Option plan	1,834	5,503	1,754	5,614
Adjusted net income	8,660	107,043	27,069	136,353
Working capital	(59,541)	20,527	(25,307)	(1,691)
Trade receivables	109,755	15,593	50,111	(21,550)
Net cash provided by (used in) operating activities	58,874	143,163	51,873	113,112
Change in permanent assets	-	(132)	-	84
Change in financial assets	28,570	(33,434)	53,419	94
Dividends received	-	-	-	-
Change in investment in equity accounted investees	(786)	(786)	-	(1,349)
Dividends paid	(94,580)	(128,293)	(105,273)	(112,111)
Treasury shares	-	-	-	-
Exercise of stock option plan	6,968	19,356	-	176
Net cash provided by (used in) financing activities	(59,828)	(143,289)	(51,854)	(113,106)
Net increase (decrease) in cash and cash equivalents	(954)	(126)	19	6
Cash and cash equivalents at the beginning of the quarter/year	1,122	294	29	42
Cash and cash equivalents as of September 30th	168	168	48	48

Balance Sheet – consolidated

3Q11
Results

<i>In R\$'000</i>	3Q11	4Q10
Assets		
Cash and cash equivalents	168	294
Financial assets measured at fair value through profit and loss	78,651	45,217
Available for sale financial assets	-	-
Trade receivables *	5,689	21,282
Other assets	28,652	1,523
Total current assets	113,160	68,316
Investments in equity accounted investees	755	-
Property, plants and equipments	1,372	1,435
Total non-current assets	2,127	1,435
Total assets	115,287	69,751
Current liabilities		
Accounts payable	413	9,952
Current tax liabilities	62,561	6,396
Payroll accruals	2,502	1,319
Dividends payable	-	33,713
Total current liabilities	65,476	51,380
Accounts payable	228	381
Total non-current liabilities	228	381
Equity		
Share capital	6,116	4,180
Capital reserve	26,506	2,102
Statutory reserve	30	30
Legal reserve	836	836
Adjustment of Conversion	133	-
Stock option	9,361	10,842
Retained earnings	6,601	-
Total equity	49,583	17,990
Total equity and liabilities	115,287	69,751

* Until 8th November, 2011 approximately 100% of the trade receivables were received.

Contact Details

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