

**International Conference Call
Tarpon Investimentos
2010 Earnings Results
February 9th, 2011**

Operator: Good afternoon ladies and gentlemen, welcome to Tarpon Investimentos 2010 Earnings Results conference call. Thank you for standing by. Today's live webcast and presentation may be accessed through Tarpon's website at www.ccall.com.br/tarpon/4q10.htm

We would like to inform you that this event is recorded and all participants will be in a listen-only mode during the company's presentation. After Tarpon's remarks there will be a Question & Answer session. At that time further instructions will be given. Should any participant need assistance during this call please press star zero (*0) to reach the operator.

Before proceeding let me mention that this presentation may contain forward-looking statements which are based on the beliefs and assumptions of Tarpon's Management and on information currently available to the Company. They involve risks and uncertainties and actual results may differ materially from those expressed in such forward-looking statements.

Now I will turn the conference over to Eduardo Mufarej, Tarpon Investor Relations Officer, you may now begin sir.

Mr. Eduardo Mufarej: Hello, good morning, good afternoon to everyone. I just would like to mention that this conference call and all the other conference calls regarding results from now on will be led by Rafael Sonder, who has been working at Tarpon since 2004 and has recently been appointed as our Chief Financial Officer. So in order to provide more attention and more clarity to our investor, we will let Rafael run the conference call. I will be available for the Q&A Session if needed, but now I would like to pass the word to him. Thank you.

Mr. Rafael Sonder: Good morning everyone and thanks for attending this call. *Bom dia a todos e obrigado por participar do call. Iremos conduzir esse call em inglês, porém todas as informações aqui divulgadas são parte da nossa divulgação de resultados que se encontra em nosso website.*

I will now switch back into English. As most of you are aware, Tarpon posted good results during this year. We are glad to present our consistent operating and financial performances for 4Q and the full year of 2010.

On page 3 we will move to the 2010 highlights. Assets under management amounted to 5.9 billion as of December 31, 2010, a 50% increase when compared

to 2009. Our funds and managed accounts posted positive absolute returns, contributing good results during 2010.

As of December 31, 2010 long-only strategy posted 39% returns in reais versus a return of 1% from the Ibovespa Index, also in reais. Growth revenues amounted to 270 million, almost 4 times higher than the amount earned in 2009; net income was 139 million. We will cover these topics in more details in the next slides.

Now I would like to move to page 4 where we can find our assets under management composition. It is always important to mention that the vast majority of our AUM is from long-standing clients. Our aligned and qualified investor base comprised of endowments, foundations, sovereign wealth funds and pension funds is of great importance as it provides the necessary reliability of capital, allowing us to pursue the best investment opportunities in the long run. Also I would like to highlight that our AUM is comprised of 13% of propriety capital, which comprises TIG, employees and executives.

Moving on to page 5 we briefly indicate our three main investment vehicles. As you know our activities are conducted under three investment vehicle formats: the long-only equity strategy, which comprises public investments; the hybrid equity strategy, which comprises public and private investments; and the co-investment strategy, which was launched during 2010 and comprises public and private co-investments in specific special opportunities.

Now I would like to move to page 6. As indicated in the chart at the top of the page, our AUM amounted to 5.9 billion as of December 31, 2010, a 50% increase over 2009. Also in the chart at the bottom of the page we can find the AUM growth breakdown by performance gains and net inflows. During 2010 the AUM growth in connection to performance gains corresponded to R\$ 1.5 billion. The AUM growth in connection with the net inflows was equivalent to 410 million. From January to December 2010 the nearly 1.9 billion increase in AUM was explained by 1.5 billion increase for performance gains and 410 increase in net inflows.

Now I would like to move to page 7. In the chart of the left side of the page we present the AUM breakdown by investment strategy and also the respective amount of called and uncalled capital. As you can see, the total amount of uncalled capital totals R\$ 515 million.

It is also important to highlight that before the launch of the Special Opportunities Fund, designed to conduct specific co-investment opportunities, we conducted this co-investment in segregated structures. At the end of the year these structures amounted to R\$ 155 million.

Our strategy now is to concentrate co-investment commitment on the Tarpon Special Opportunities Fund. As of December 2010 the AUM of this vehicle amounted to 600 million, out of which 250 million was committed but uncalled.

In the chart at the right-hand side of the page we can see the AUM breakdown by public and private equity. As of December 31, 2010, Tarpon's exposure to public equities corresponded to 84% of our called capital. Private equity investments corresponded to 16%.

Now let us move ahead to page 8 where we talk about the Funds' performance. On 4Q10 long-only equity strategy posted net returns of 7.8% in reais and 7.9% in US dollars. From January through December of 2010 the accumulated returns of the strategy were 38.8% in reais and 40.3% in US dollars. The hybrid-equity strategy posted net returns of 8.2% in US dollars during the quarter, accumulating net positive performance of 47.1% from January to December 2010.

It is important to highlight that we do not follow any stock market index as a performance benchmark. However, for illustrative purposes, during the year of 2010 the Ibovespa and IBX Indexes posted positive returns of 1% and 2.6% respectively, both in reais.

Moving ahead to page 9 we will now discuss Tarpon's financial highlights. On this page we present our operating revenues. Management fees are charged on Tarpon's Funds on a monthly or quarterly basis, calculated over the amount of called capital under management. During 2010 growth revenues related to management fees amounted to R\$ 53.8 million. The year-over-year increase in results reflects an AUM increase previously mentioned.

Now regarding performance fees revenues, this quarter we were glad to present strong results since approximately 100% of the Tarpon Funds (NAV) was about high water marks.

Just to remember, these fees are collected based on the performance of the funds when certain hurdle rate is surpassed and are charged on distinct days of the year, depending on the characteristics of the funds. Performance fees growth revenues amounted to 163.2 million in 2010 compared to 13.2 million in the same period of 2009.

In addition, as of December 31, 2010 the uncollected potential performance fees amounted to 142.3 million. This amount is based on the net asset of the funds that were above the high water mark as of such date. Moreover, it is important to say that this number is for illustrative purposes only and as you cannot predict Funds' performances, this potential may differ substantially from the effective amount by the performance collection basis.

Now, moving to page 10 the total operating revenues amounted to 270 million and operating expenses amounted to 49.1 million. Operating margin for the year was 76%.

In the chart of the bottom of the page we can find the operating expenses segregated by recurring and nonrecurring expenses. The recurring portion of the operating expenses is comprised of general, administrative and payroll expenses. From January to December 2010 the nonrecurring operating expenses amounted to 34.1 million with variable compensation expenses distributed on a semiannual basis accounting for 26.5 million. Stock option provision of 2010, which has no cash impact, amounted to 7.6 million.

Now moving to page 11. Net income in 2010 amounted to 139 million, equivalent to R\$ 3.37 per share. This amount represented a net margin of 68%. Net income increased by 768% over the same period of 2009.

At last, on page 12, we have some details on the performance of TRPN3. Since May 26, 2009 our shares are traded on the Novo Mercado segment of the Bovespa, which holds the highest standards of corporate governance.

From January 1st through December 31, 2010 TRPN3 was up 116%, consistently outperforming Ibovespa Index which, as already mentioned, was up 1% during the same period, based on yesterday's share price Tarpon's market cap is currently R\$ 826 million.

We would now like to thank everyone for attending this call and open up the floor for questions. Thank you.

Q&A Session

Operator: Excuse me. Ladies and gentlemen, we will now begin the Question and Answer session. If you have a question please press the star key followed by the one key (*1) on your touch-tone phone now. If at any time you would like to remove yourself from the questioning queue press star two (*2). Again, if you would like to pose a question, please press star one (*1).

Excuse me, our first question comes from Mr. John Prigoff with Equinox.

Mr. John Prigoff: Just a quick question. When I was looking at the earning release there is a part, I believe it is when you present the income statement, where you have a share outstanding number that is 41.207 million shares, but then at the end when you show the stock performance there is a number that I believe is 45.7

million shares. I am just wondering is that, what explains that discrepancy? Some shares that you have in treasure or something like that?

Mr. Rafael Sonder: No, John, this is a very good question. Between the time that we ended the year 2010 and now, executives from Tarpon have exercised part of their stock option plan, so therefore the share account has increased by 4.5 million in the period.

Mr. Prigoff: Ok. So how many options are currently outstanding given that option for the exercise?

Mr. Sonder: All this information if you need more detail is available on our website, but the full stock option plan is about 13.7 million shares.

Mr. Prigoff: Ok, so I will just consult the website, if I have questions I will ask you guys offline. Thanks.

Operator: Excuse me, again, if you would like to pose a question, please press star one (*1). Excuse me, as a reminder, to pose a question please press star one (*1).

This concludes today's question and answer session. I would like to invite Mr. Rafael Sonder to proceed with his closing statements. Please, go ahead sir.

Mr. Rafael Sonder: I would like to thank everyone for attending this call and please feel free to let us know if you have more questions. Thank you very much.

Operator: That does conclude the Tarpon Investimentos 2010 Earnings Results conference call. Thank you very much for your participation and have a good day.
