



Market Cap

R\$ 2.7 Billion

Closing Price

H RTP3 R\$ 460,11

Conference Call 1Q12

May 11th, 2012

Webcast: www.hrt.com.br/ir

Portuguese

10:00 a.m. (BRA)

Phone: +55 (11) 4688 6361

Code: HRT

English

09:00 a.m. (NYC)

Phone: +1 (786) 924 6977

Toll Free (USA) +1 (888) 700 0802

Code: HRT

The conference call will be held in English with simultaneous translation into Portuguese

IR Contacts

www.hrt.com.br/ir

ri@hrt.com.br

+55 21 2105-9700

Lourenço Bastos-Tigre

CFO and IRO

Fabio Bueno

IR Manager

Luis Otávio Pinto

IR Analyst



May 10th, 2012

1Q12
Earnings
Release

HRT ANNOUNCES ITS 1Q12 RESULT

Rio de Janeiro, May 10, 2012 - HRT Participações em Petróleo S.A. - "HRT" or "Company" (BM&FBovespa: HRTP3 and TSX-V: HRP.V) announces its results for the 1st quarter of 2012 ("1Q12"). The financial and operating data described below, except where otherwise stated, are presented on a consolidated basis including our direct and indirect subsidiaries HRT O&G Exploração e Produção de Petróleo Ltda. ("HRT O&G"), Integrated Petroleum Expertise Company – Serviços em Petróleo Ltda. ("IPEX"), HRT Africa Petróleo S.A. ("HRT Africa"), HRT Netherlands B.V. ("Netherlands"), Air Amazonia Serviços Aéreos Ltda. ("Air Amazonia"), HRT America Inc. ("HRT America"), HRT Canada Inc. ("HRT Canada"), its subsidiaries and branches.

1Q12 HIGHLIGHTS

- Net income of R\$53.3 million
- Spud in of three wells: 1-HRT-6-AM, 4-HRT-7D-AM and 1-HRT-8-AM
- Conclusion of DST of wells 1-HRT-4-AM and 1-HRT-5-AM
- Hydrocarbons shows in the well 1-HRT-6-AM
- Extension of the exploration period for the nine blocks held by HRT in the Solimões Basin
- Extension of the exploration period for ten blocks in the Namibia Basins
- ANP approves transfer of rights and obligations over the blocks held by HRT O&G to TNK-Brasil
- Opening of data-room and start of discussions for partnership in exploratory assets in Namibia

MANAGEMENT REPORT

This was another important quarter for HRT. In addition to the progress of its exploration activities, the conclusion of the farm-in and farm-out of 45% participating interest in the Solimões Basin allowed HRT to announce net income in this quarter. For a company still in the pre-operational phase, this result is a demonstration of the focus of our Group on maximizing return for our shareholders.

Significant milestones were achieved during this period, both in Solimões and in Namibia. Our group's dynamism has enabled us to advance simultaneously with the exploratory activity of our assets, seeking greater efficiency and maximizing the value of our portfolio and, at the same time, taking important business and financial actions, such as the farm-out to TNK-Brasil and the farm-out process for the Namibian blocks.

In Namibia, with the conclusion of the 3D seismic campaign, the processing and interpretation of the data in our assets enabled the commencement of the farm-out process of the blocks operated by HRT. The data-room is being led by our subsidiary in Houston, HRT America, which has been carrying out safe and technically sound work. The data presented thus far has confirmed our expectation in the potential of these basins in Namibia, which are seen as the new exploratory frontier of the oil and gas industry in the world.

Since early 2012, several oil and gas discoveries have been made along the African coast – of particular prominence is the pre-salt in Angola, a basin on the edge of the Namibian basins – and intense M&A activity on blocks and companies with exposure to exploration assets across the continent. This is a new horizon opening up, where we believe Namibia will soon be one of the major players.

HRT's exploratory campaign in the Solimões Basin brought in the quarter further discoveries of hydrocarbons – in total, six wells have been concluded thus far, all with hydrocarbons shows. With the spudding, conclusion of drillings and of drillstem tests and consequently a greater geological knowledge of the basin, we are working further improve the quality of the geological and geophysical data and refining the regional and the prospect mapping that will be the object of further drillings, in order to obtain even better results in the exploration of this important asset for our company.

The conclusion of the drillstem test in the well 1-HRT-4-AM revealed the discovery of condensate and gas and may allow the development of a production unit in that area. With the drilling of the directional well 4-HRT-7D-AM in the same geological structure we estimate that there is important potential to be discovered.

The drilling of the well 1-HRT-5-AM confirmed the discovery of a new structural trend with gas accumulations situated between the Juruá and Urucu fields. This well presented a high flow of gas and we estimate that this accumulation is capable of producing up to 2 million cubic meters of gas per day. We expect that the new drillings of the prospects located in this trend expedite the economic feasibility of the natural gas monetization project for the Solimões Basin assets. This is why we intend to maintain a drilling rig at the Tefé and Juruá clusters, the drillings of which are designed to evaluate our natural gas resources. It is important to mention that we are working on Evaluation Plans so that ANP can certify volumes in this area.

Situated in the block 170 – where we had already announced the discovery of oil and gas – the well 1-HRT-6-AM was drilled expecting to find oil. Located near the Chibata and Leste Chibata wells, both oil producers in the Lower-Juruá and Uerê formations, Carboniferous and Devonian in age, this well was to test a new structure with characteristics similar to these wells, which resulted in important discoveries. Having concluded the drilling and final logging, gas-bearing reservoirs were identified in the Juruá Formation and two oil-bearing reservoirs in the Devonian sequence. Drillstem tests will be run with a view to evaluate the production potential of this structure. The well has been cased, and the intervals of interest (net pay of 12 meters) will be perforated and tested to verify the permeability conditions for the fluid flow in the formation. Once the test is concluded, it will be possible to determine the suitable intervals for production.

It is worthwhile to mention that, as we commented in the disclosure of 4Q11 results, the Company's primary objective in Solimões is the discovery of oil. With the conclusion of the seismic survey on the blocks SOL-T-148, SOL-T-149 and SOL-T-172, we plan to spud two wells in the Aruã cluster. Therefore, the drilling, as of the second half of 2012, will be focused on areas where the prospective resources were certified for oil occurrence. There will thus be 3 wells aimed at oil and 1 well aimed at gas.

Other two important achievements in this quarter were the extensions granted for the exploration periods, both in Solimões and Namibia. In Solimões, the second exploration period for the nine blocks in the north west of the concession area was extended by the ANP for a further two years. This is the recognition of the work performed and of the delay caused by adverse weather conditions. In Namibia, the Ministry of Mines and Energy granted an extension of the initial exploration period for all the 10 blocks operated by HRT. The extensions are recognition of the work that has been carried out by HRT, particularly for the 3D seismic campaign in Namibia – the largest ever carried out on the west Africa coast.

Despite the volume and quality of work we have been performing from the end of last year and in this first quarter, the weather conditions have been particularly adverse, and the flooding of the Solimões River, which affects our work areas, is already near the highest levels ever recorded, resulting in logistical difficulties of all kinds, disturbances in the support and drilling bases, with the consequent and inevitable delays in the execution of the work. Our teams have been working to minimize the effects on operating efficiency and HRT is supporting nearby communities to minimize the impact on the life of various families living in the vicinity.

HRT O&G FARM-OUT TO TNK-BRASIL

At the end of January, we filed a request with ANP for the transfer of concession rights corresponding to 45% over the 21 blocks in the Solimões Basin to TNK-Brasil. At the ANP Board meeting held on March 28, 2012, the transfer of 45% interest in the rights and obligations over the 21 blocks held by HRT O&G to TNK-Brasil was approved, whereby concluding the farm-out process. HRT O&G remains as the operator of the blocks, where it still holds a 55% working interest.

As of this stage, we now count on the support of the TNK-Brasil in the Amazon region. The Group's broad experience in exploration and production in Russia and the logistical challenges overcome in its onshore operations in Siberia will significantly help advance the exploratory program in the Solimões Basin. We trust this will be a solid and successful partnership for both companies.

Additionally, we are concluding arrangements with PETRA for the transfer of guarantees that were used to acquire the said 45% interest in the blocks, under the terms of the Settlement Agreement and Release, signed in December.

RESOURCES ESTIMATED BY DEGOLYER AND MACNAUGHTON

With the progress of the exploratory campaign, and particularly the acquisition of new seismic lines during 2011 and in 1Q12 – 3,100 km of 2D seismic survey in the Solimões Basin and 9,075 km² of 3D seismic survey in the Namibian Basins– a new report of estimated resources should be contracted by the end of 2012 for these concessions.

	Basin	Resources	Oil* (BBL)	Gas* (BOE)	Total
BRAZIL	Solimões	Contingent - 3C	87	428	515
	Solimões	Prospective	269	180	449
	Total		357	608	964
NAMIBIA	Walvis	Prospective	1,022	86	1,108
	Orange	Prospective	3,849	1,977	5,825
	Total		4,871	2,063	6,934
Total			5,227	2,671	7,898

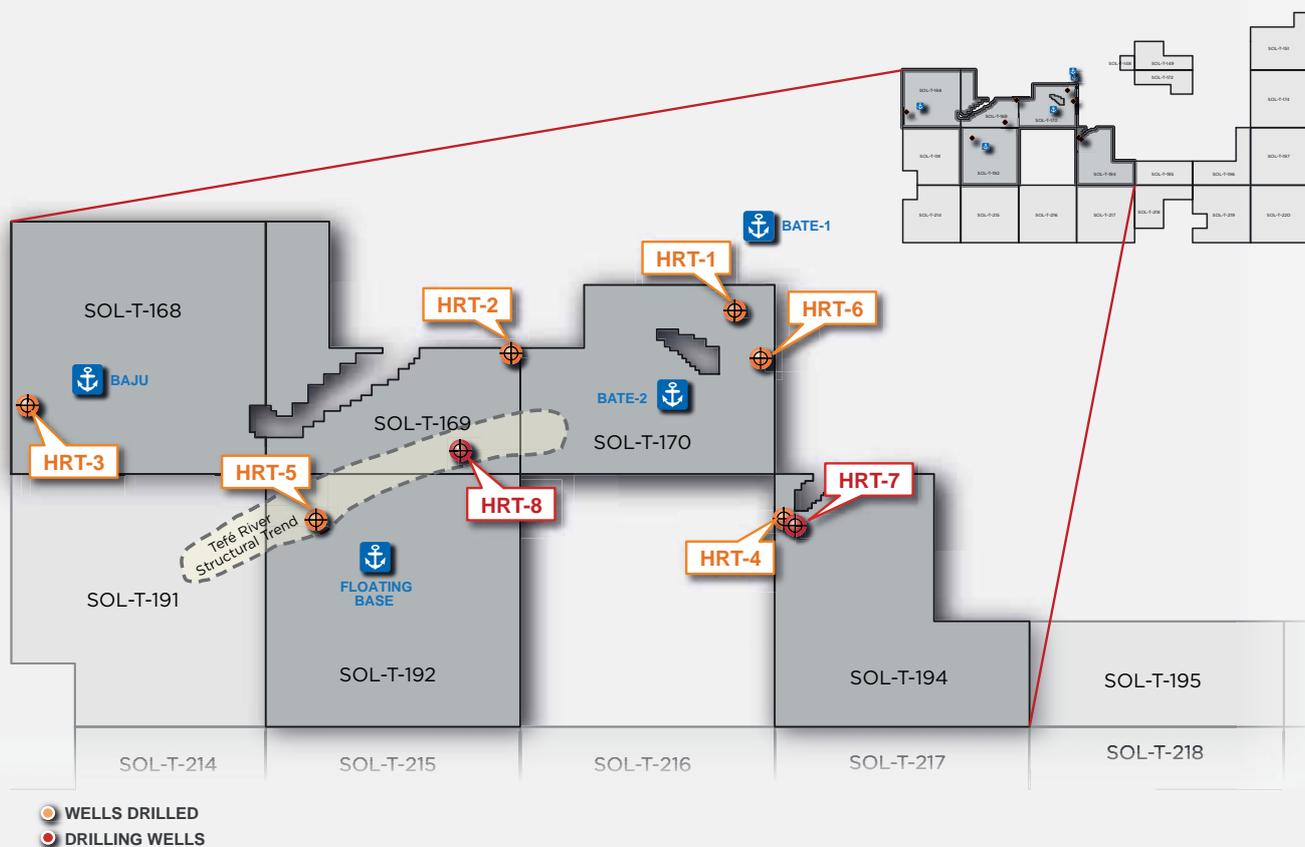
*Net Risked Resources to HRT

COMPANY'S SUBSIDIARIES

HRT OIL & GAS

HRT O&G was created to capitalize on the expertise developed in geological, geochemical and geophysical services for oil and natural gas exploration and production activities. Today, it holds 55% interest over 21 exploratory blocks in the Solimões Basin.

The Solimões Basin is located in Brazil's Amazon region and the blocks under concession for the HRT TNK-Brasil consortium occupy an area of 48,507 km². According to official data from ANP, the region is the third largest in Brazil in terms of oil and gas production, with around 100 thousand BOE per day. The oil produced in the Solimões Basin is of excellent quality, with a specific density between 41° and 47° API, and has strategic importance for the Brazilian market.



On January 30, 2012, the Company's first directional well, named 4-HRT-7D-AM, was spudded. The well aims to test a higher structural position in relation to the well 1-HRT-4-AM, a gas and condensate discovery well, by way of a directional well. It is estimated that this accumulation may reach horizons with a major possibility of producing gas or condensate. The well should reach its final depth at around 3,150 meters with a 1,200 meters horizontal deviation in relation to the well 1-HRT-4-AM. The main targets of this drilling are the Juruá Formation reservoirs.

The drillstem test in the well 1-HRT-5-AM, successfully concluded on April 8, 2012, demonstrated good flow characteristics through a vertical well, reaching production of 370 thousand cubic meters of natural gas per day with choke of 40/64". The well drilled a yet untested structure, opening up a new gas-producing trend in the Solimões Basin. It is estimated that the accumulation may have a potential flow rate of 2 million cubic meters of natural gas per day when it reaches its development phase. This result points towards the possibility of the existence of a new gas accumulation in blocks SOL-T-191, 192, 169 and in the southeast of the block 170, reaffirming the vocation for gas in the blocks under concession in the northwestern Solimões Basin. The new structural trend extends over 90 km and is located 20 km southern of the Juruá fields, as demonstrated in the prior picture.

On March 20, 2012, the well 1-HRT-8-AM was spudded, which aims to test a structure of 25 km² in area and which is part of the gas trend drilled by the well 1-HRT-5-AM. The well targets are the Carboniferous reservoirs of the Juruá Formation expected to be found as of 3,000 meters depth, as well as the Devonian reservoirs of the Uerê Formation.

As previously mentioned, on April 27, 2012, the drilling of the well 1-HRT-6-AM was concluded. Evidence of hydrocarbon shows was identified in two oil-bearing intervals, with net pay of about 4 and 8 meters. The well has being cased and the intervals with hydrocarbon shows will be the object of drillstem tests to be run thereafter with a view to evaluate its production potential.

AIR AMAZONIA

Air Amazonia is a wholly-owned subsidiary of HRT, created to provide aerial logistics support for the exploratory campaign in the Solimões Basin. In the 1Q12, operating a fleet comprising 18 aircraft (14 helicopters and 4 planes) totted up 2,943 flight hours, transporting around 6,000 passengers and a cargo volume exceeding 4,000 tons, among equipment and supplies for the operation and support of the various drilling sites. With the development and improvement of logistics operations, the cost per hour flown per equipment was reduced in comparison with 4Q11.

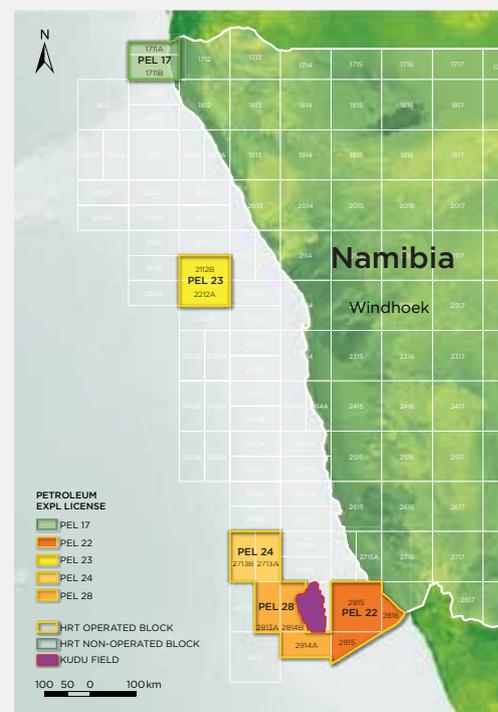
Its priority being operational safety and quality of its services, Air Amazonia will continue to operate in 2012 seeking to increase the availability of its equipment for the company's operations and permanently focused on safety and cost reduction for the exploratory campaign in the Solimões Basin.

HRT AFRICA AND HRT CANADA

HRT Africa and HRT Canada today hold ten exploration blocks on the coast of Namibia: eight blocks in the Orange Basin and two blocks in the Walvis Basin. Additionally, we hold an interest in two exploration blocks in the Namibe Basin, as demonstrated in the table below.

Namibia is located in southwestern Africa and has four offshore sedimentary basins: the Namibe Basin, Walvis Basin, Lüderitz Basin and Orange Basin, covering an area of 350,000 km². HRT is the operator of ten of its twelve exploration blocks on the Namibia coast, covering a gross area of 62,892 km² and a net area of 51,513 km². The company holds interest in the following blocks:

Basins	PELs	Blocks	HRT's working interest
Walvis Basin	PEL 23	2112B	100%
		2212A	
	PEL 24	2713B	95%
		2713A	
Orange Basin	PEL 22	2815	95%
		2816	
		2915	
	PEL 28	2814B	91.2%
		2914A	
		2914A	
Namibe Basin	PEL 17	1711A	2.85%
		1711B	



In early January 2012 the company's subsidiaries finalized the largest 3D seismic campaign ever performed on the coast of Namibia, totalling 9,075 km². After processing and interpreting the data, on April 2, HRT began meeting with oil companies wishing to appraise a possible partnership in its exploratory area in Namibia. A data-room was opened at the head offices of its subsidiary HRT America, in Houston, with a view to providing access to information to the interested companies. The beginning of drilling campaign is due between 4Q12 and 1Q13. Citigroup Global Markets Inc. was engaged to provide support to HRT in this transaction.

INTEGRATED PETROLEUM EXPERTISE CO. - IPEX

Integrated Petroleum Expertise Company – Serviços em Petróleo Ltda. or IPEX, carries out studies and analyses in the fields of Geochemistry, Geophysics and the environment. Support from the laboratories of IPEX is a key element in the exploration task force of HRT O&G. IPEX provides essential support in collecting and collating samples. The laboratories also supply the best geochemical analyses on the market today, with qualified oil technicians, geoscientists and geochemists. Today this is the analysis mechanism that has given support HRT O&G in its exploration activity, and other companies in the sector, as well as state entities.

HRT AMERICA

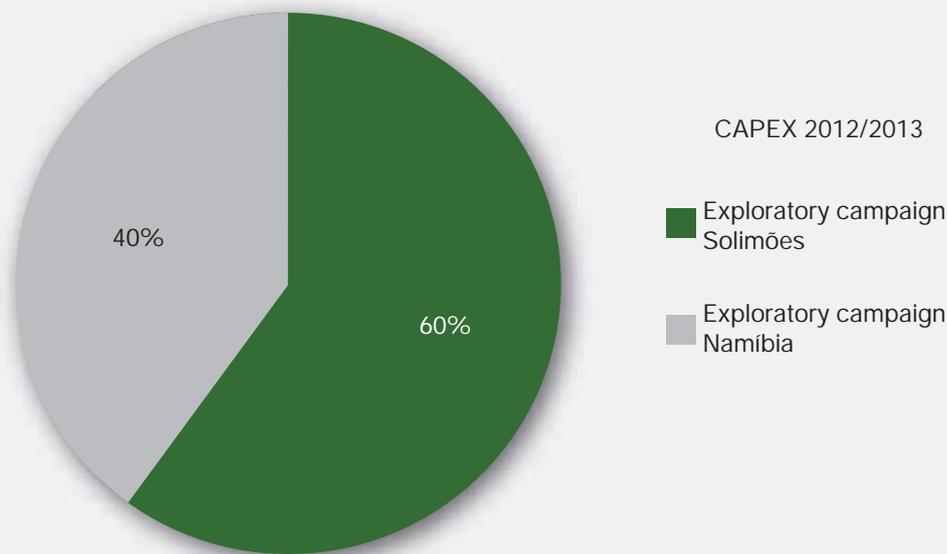
HRT America is headquartered in Houston, TX and is made up of highly specialized and renowned professionals in the oil and gas industry. Its main activity is the provision of geophysical and geological research services within oil exploration and production focused exclusively on companies in the HRT group, especially for the concessions in Namibia.



INVESTMENT PLAN 2012/2013 – SOLIMÕES AND NAMIBIA PROJECTS

The Company's exploration activity in the Solimões and Namibia projects is on target for the estimated CAPEX for 2012 and 2013 to be met with existing cash. In this backdrop, the decision was taken to use up to four drilling rigs to drill eight exploration wells during the course of 2012 in the Solimões Basin, besides acquiring 2,000 km of 2D seismic survey, of which 500 km were carried out in 1Q12. In Namibia, the process of analyzing and interpreting the seismic surveys allowed the farm-out project to be the focus for 2012, as well as preparing to drill an exploratory well, the first of a series, forecast to begin between 4Q12 and 1Q13. The support base to assist the drilling activities will be built in Lüderitz.

Funding of CAPEX for this period will be met by HRT's strong cash and buying power positions.



SAFETY, ENVIRONMENT, HEALTH AND SOCIAL RESPONSIBILITY

In the Solimões Basin, HRT continued with its Program for Germplasm Recovery and Restoration of Degraded Areas. Our researchers remain in the field performing floristic inventories in order to characterize the work area. Work has begun on the Program for the Environmental Education of Workers (PEAT), with the aim of increasing environmental awareness for the employees of HRT and those of hired companies working at our facilities. The Residue Management Program is up and running, providing suitable destination for the residues generated by our operating activities.

In 1Q12, renewal of environmental licenses was granted for the activities of seismic data acquisition in the Blocks SOL-T-168, SOL-T-217 and SOL-T-218, and also for drilling in Blocks SOL-T-148 and SOL-T-149. All the aforementioned

licenses were issued by the Environmental Protection Institute of the Amazonas State (IPAAM). In addition to these licenses, IPAAM granted a Vegetable Suppression Authorization (ASV) for locations 191-3 and 170-10, and also renewed the Operating License for the Manaus Base.

In the Safety sphere, the Safety Orientation Program (PROSA) and the Observe, Stop and Act Program (OPA) are still up and running in all our areas of operation, with significant results. HRT's target is "zero accidents" and all efforts are taken to ensure this is met.

Over the period, the Social Responsibility Team carried out a Social Communication Plan in Carauari in the communities Ponte do Gavião, APLUB and Vila Nova (located around BAJUR). The purpose of this plan was to assure a communication channel between the company and neighboring communities, reducing potential impacts caused by our E&P activities and maximizing benefits, by addressing queries and providing information on safety. Meetings were held in the communities and disclosure work was carried out at the homes of the residents.

HRT O&G, in partnership with the Brazilian Army, carried out Civil-Social Action (ACISO) at the Community of Vila Moura (neighbor of the Tefé Support Base – BATE 1), yet again enabling the company to be present in the communities and to promote local development. It was incumbent upon HRT to provide logistical support and to provide the material necessary to perform the action and upon the Army to provide the service and the manpower. The action took place over one week, culminating on March 8 and 9 when medical and dental assistances were provided, along with the distribution of school and mouth hygiene kits. In addition, there were the opening of a community center and the delivery of refurbished resident houses and two flour houses (Casa de Farinha).

HRT has become the signatory of the principles of the Global Pact, the objective of which is to mobilize the international business community to adopt in its business practices fundamental and internationally-accepted values in the fields of human rights, work relations, the environment and anti-corruption practices. The company considers the ten principles of the Global Pact to be a strategic part of its corporate business, and hereby declares its effort to implement these principles via its communication channels for all publics of interest and to communicate, on an annual basis, its implementation efforts by way of the Communication of Progress (COP) on the Global Pact website of the United Nations.

Medical assistance, ambulatory nursing and urgent and emergency assistance continue to be carried out at the drilling sites and support bases, bringing benefits to the riverside communities near the facilities on the Tefé River and in the city of Carauari. The Monitoring and Control Program of vectorial transmission Diseases (malaria, leishmaniasis, Chagas disease and filariasis) has been executed as scheduled, with emphasis on preventive actions.

The field teams have carried out various health education activities for workers and residents of the community, with a view to preventing accidents and diseases. In the municipality of Carauari, a partnership has been established with the Health Surveillance Foundation (FVS) in order to diminish the number of cases of malaria in the region. HRT has provided qualified technicians and is currently in the process of acquiring various items of equipment that will subsequently be donated to the FVS for the benefit of the locals.

In a pioneer initiative in the oil sector, HRT has launched the Green Barrel Program. For each barrel produced by the company in the Solimões Basin (AM), R\$ 1.00 will be allocated for the conservation of the jungle and for improvement in the quality of the local residents. Additionally, the company will encourage the generation of a work market for the population of the State of Amazonas. This is socio-environmental oil, bringing progress and preserving nature.

HRT plans to implement the Green Barrel everywhere it operates. In Namibia, for each barrel of oil produced in the country, N\$ 1.00 (one Namibian dollar) will be destined for projects that foster local sustainable development and projects related to the conservation of the region's marine ecosystem.

In Namibia, the environmental impact studies for the grant of the Drilling License for all HRT's blocks in the Orange and Walvis Basins, on the coast of Namibia, are underway, as foreseen in the business schedule.

FINANCIAL PERFORMANCE

FINANCE REVIEW

The HRT Group, by way of its subsidiary HRT O&G, has evolved from its exploratory campaign in 1Q12 in the Solimões Basin, in Brazil, and has started the evaluation process for the search of a partner to explore the blocks in Namibia, significantly advancing the 3D seismic mapping for this region.

Besides the operating aspects, it is important to mention the ANP's approval on March 28, 2012 of the transfer of 45% interest held by HRT O&G to TNK Brasil, a Brazilian subsidiary of the TNK-BP group. This transfer was responsible for the main accounting effects of the transaction entered into on October 31, 2011, the records being posted in 1Q12, significantly contributing to the positive result for this period.

The table below shows the Company's summarized consolidated results, which include the results of its subsidiaries HRT O&G, IPEX, HRT Netherlands, HRT America, HRT Africa, HRT Canada and Air Amazonia.

INCOME STATEMENT (R\$ million)	1Q11	4Q11	1Q12
Net Revenues	299	1,629	3,150
Cost of services	-2,746	-2,545	-707
Gross Profit	-2,447	-916	2,443
Total Expenses	-61,007	-166,997	56,171
Geology and Geophysics	-19,139	-76,055	-44,256
Personnel	-23,943	-69,115	-33,147
Third party services	-9,382	-10,721	-12,971
General and administrative	-7,019	-5,409	-18,019
Other expenses	-1,524	-5,697	-21,951
Non-Operating Results	0	0	186,515
EBITDA	-63,454	-167,913	58,614
Depreciation/Amortization	-3,644	-8,726	-7,590
EBIT	-67,098	-176,639	51,024
Financial Revenues	66,099	46,555	41,833
Financial Expenses	-5,609	1,186	-12,057
Income before taxes	-6,608	-128,898	80,800
Income Taxes	-7,244	-6,792	-27,515
Net Results (loss)	-13,852	-135,690	53,285

It is worthwhile mentioning that a comparison with the first quarter of 2011 is impaired and the results should not be analyzed as a trend, since only from 2Q11 – after the inflow of funds obtained through the Initial Public Offering, which occurred in 4T10 – did the Company intensify its exploration activities for oil and gas both in the Solimões Basin and in Namibia. Furthermore, the positive result deriving from posting the sale transaction regarding the interests in exploration blocks should not be considered as recurrent.

1Q12 RESULTS

The net operating revenue and the costs of services provided were recorded by the subsidiary IPEX which obtained revenue from geochemical and biostratigraphical analyses for third parties.

Consolidated EBITDA was positive at R\$ 58.6 million, influenced by recognizing the capital gain, before income tax and social contribution, on the transfer of 45% interest over the 21 blocks in Solimões from HRT O&G to TNK Brasil.

The gain, in the amount of R\$ 186 million, was the result of the equivalent difference in Brazilian reais between the sales value, USD 1 billion, and the cost of the asset acquisition, R\$1.3 billion, cost to which the transfer to Petra of 50% of the gross margin over this transaction was added. The transaction is supported by letter of credit issued by TNK-Brasil in favor of HRT O&G, which will be paid in 5 half-yearly installments. The first payment, amounting to USD 200 million, was received by HRT in April 2012.

In this 1st quarter, the Company intensified cost control, implemented new management processes and project monitoring, reviewed its organizational structure, including the strengthening of the corporate role of the holding company HRT Participações, with a view to obtaining greater synergy in management and control of its wholly-owned subsidiaries. The initial results can be seen in the 5% reduction in total general and administrative expenses (personnel, third party services, general, administrative and others) which fell by 5% compared to the prior quarter. Adding the reductions in expenses with geology and geophysics to the tune of 42%, the overall expenses reduction amounts to about 22%. Within its restructuring plan, the HRT Group adjusted its staff number, having closed 1Q12 with 514 employees (600 in 4Q11). It also began to include some representatives of TNK-BP in the analysis and execution of work.

In 1Q12, the Company posted financial revenues of R\$ 42 million (R\$ 46 million in 4Q11) relating to the return from financial investment. The reduction was due to the gradual fall in the basic interest rate of the Brazilian economy and the monthly decrease in the average cash balance, as a result of accelerating its exploration campaigns in Solimões and in Namibia.

The increase in expenses with taxes and contributions is mainly due to the tax costs inherent to the capital gain from the sale of participating interest to TNK-Brasil, already deducted from the tax credits on current and deferred losses.

With these results, the Company ended 1Q12 with net income of R\$ 53 million compared to a loss of R\$ 136 million in 4Q11.

BALANCE SHEET

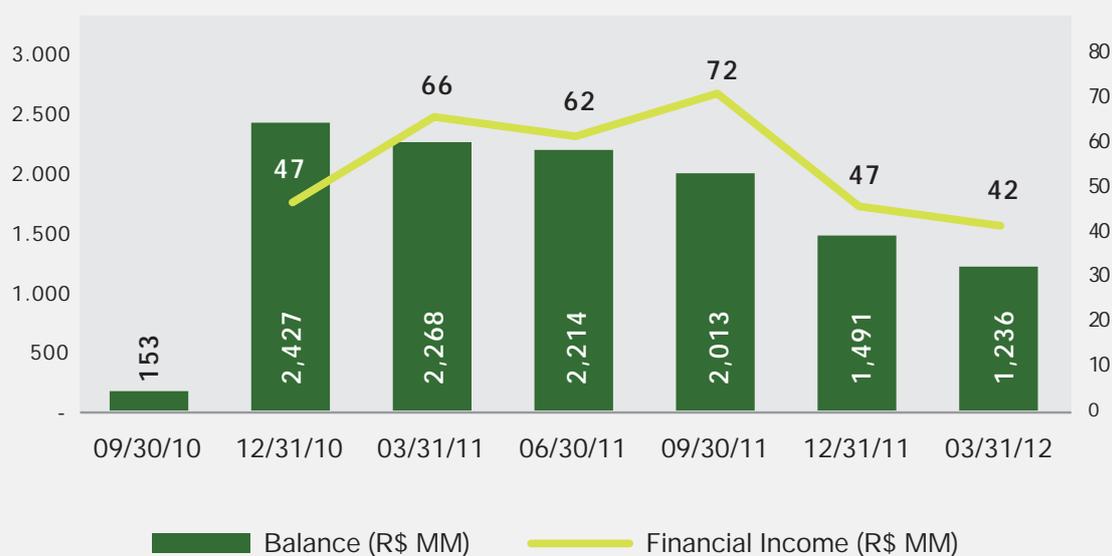
The table below presents the variation of the balances of the main equity accounts in 1Q12 compared to the balances as of December 31, 2011.

BALANCE SHEET (R\$ million)	12/31/2011	31/03/2012	Variation
Cash and Marketable Securities	1,491,179	1,236,342	-254,837
Accounts receivable	0	1,821,909	1,821,909
Asset held for sale (45% Solimões)	1,296,128	0	-1,296,128
Property, Plants and equipments	323,268	339,759	16,491
Intangible assets	2,190,842	2,323,133	132,291
Account payable to PETRA	1,030,940	1,359,540	328,600
Capital	3,809,535	3,815,879	6,344
Shareholder's equity	3,871,719	3,913,844	42,125

CASH, CASH EQUIVALENTS AND MARKETABLE SECURITIES

The Company ended 1Q12 with a consolidated cash of R\$ 1.2 billion, a decrease of 17% over the balance of the prior year, due to the use of funds in the exploration campaign in the Solimões Basin and progress of the seismic campaign on the coast of Namibia.

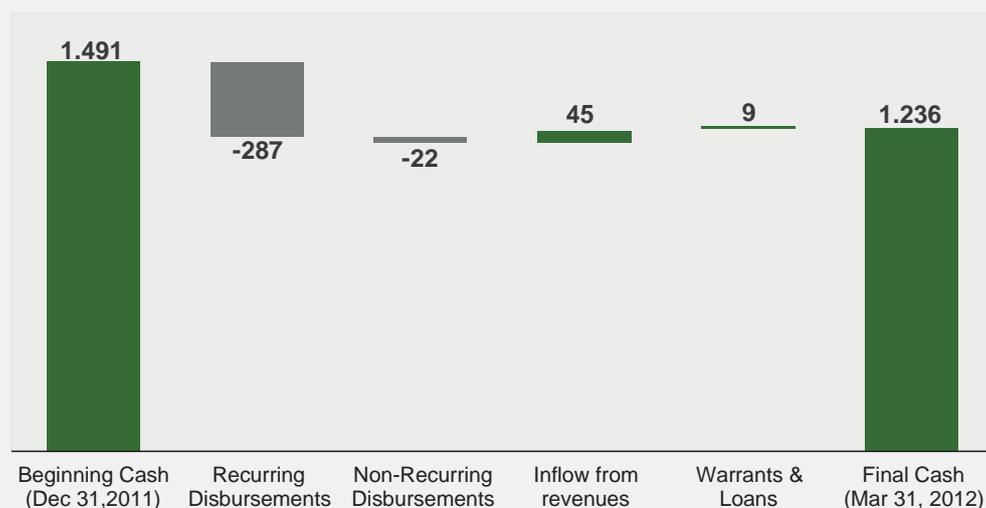
Evolution of Income and Cash
(Cash and Cash Equivalents)



In April 2012, following ANP approval of the transfer of 45% participating interest over the blocks in the Solimões from HRT O&G to TNK-Brasil, HRT received the 1st installment payment in the amount of USD 200 million, the group's consolidated cash returned to the R\$ 1.5 billion level.

The following graph presents the changes in the balance of cash, with a statement of cash inflows and outflows, with prominence to disbursements, financial revenues and ingress of capital by exercise of warrants.

Consolidated Cash Flow (R\$ million)



The table below presents the breakdown of disbursements recorded in 1Q12, grouped by recurring and non-recurring disbursements:

Breakdown (R\$ million)	Solimões	Namibia	Corporate	Total 1Q12
Recurring	233	22	31	287
Exploratory Campaign	205	7	-	211
Seismic	29	15	-	44
G&A	-	-	9	9
Taxes and Financial Expenses	-	-	23	23
Non-Recurring	22	0	0	22
Fixed Assets	22	0	0	22
Exploration Rights	0	-	-	0
Assets held for sale	0	-	-	0
Total	256	22	31	309

Exploratory campaign expenses in the amount of R\$ 211 million relate to disbursements for exploration activity, drilling, aerial, fluvial and land logistics activities allocated under intangible assets, in addition to the costs of own personnel and third party services allocated as expenses.

Disbursements with seismic survey in the amount of R\$ 44 million are related to the exploratory activities in the Solimões and Namibia basins and include the engagement of 2D and 3D seismic survey and processing services deriving from expenses allocated to the result of the year.

G&A expenses in the amount of R\$ 9 million refer to corporate expenses with personnel, third party services, general and administrative expenses and taxes not allocated directly to the exploratory campaign, though incurred to serve the development of the HRT Group's exploration activities.

Non-recurring disbursements with fixed assets in the amount of R\$ 22 million refer to the purchase of 2 helicopters and advances for the acquisition of drilling rigs, in agreements entered into in 2011, all destined for the exploratory campaign in the Solimões Basin.

INDEBTEDNESS

In 1Q12, the subsidiary HRT O&G concluded the acquisition of an Esquilo model helicopter in the amount of R\$ 3.8 million, having financed 80% of this amount with Banco Safra, with 6 half-yearly payments.



CONTACTS



HRT Participações S.A.

Av. Atlântica 1130 - 10º floor - Copacabana
CEP 22021-000 - Rio de Janeiro - RJ - Brazil
www.hrt.com.br/ir

Lourenço Bastos-Tigre

CFO and IRO
ri@hrt.com.br
+55 (21) 2105 9700

Fabio Bueno

IR Manager
fabio.bueno@hrt.com.br
+55 (21) 2105 9745

Luis Otávio Pinto

IR Analyst
lpinto@hrt.com.br
+55 (21) 2105 9799



Press Relations

Insight Engenharia de Comunicação

Danielle Bastos

danielle@insightnet.com.br
+55 (21) 2509-5399

ABOUT HRT



HRT Participações holds one of the largest independent oil and gas exploration and production companies in Brazil. The HRT Group comprises eight main subsidiaries: HRT O&G Exploração e Produção de Petróleo Ltda., Integrated Petroleum Expertise Company – Serviços em Petróleo Ltda., HRT Africa Petróleo S.A., HRT Netherlands B.V., Air Amazonia Serviços Aéreos Ltda., HRT America Inc., HRT Canada Inc.. The Company retains a 55% interest in 21 exploratory blocks in the Solimões Basin. HRT also operates ten exploratory blocks off the Namibian coast: eight blocks in the Orange Sub-basin and two blocks in the Walvis Sub-basin. HRT's team includes PhDs and masters in geochemistry, geophysics, biology and engineering, most of them former employees of Petrobras and ANP (Brazil petroleum agency). HRT is committed to minimizing any possible environmental impacts in the sites where it acts. Our commitment to the local communities is towards health conditions, security and quality of life. For more information, please visit the Company's website: www.hrt.com.br/ir

Disclaimer

Certain information contained in this document, including any information as to our strategy, projects, plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance constitute "forward-looking statements". All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "will", "anticipate", "contemplate", "target", "plan", "continue", "budget", "may", "intend", "estimate" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. HRT cautions the reader that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of HRT to be materially different from HRT's estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance.

HRT disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

BALANCE SHEET (IN THOUSAND R\$)

ASSETS	Consolidated	
	Dec 2011	Mar 2012
Current assets		
Cash and cash equivalents	25,167	10,298
Marketable securities	1,466,012	1,226,044
Accounts receivable	1,382	1,821,909
Asset held for sale	1,296,128	-
Taxes recover	34,706	45,031
Advances to suppliers	11,064	41,002
Prepaid expenses	8,392	8,296
Financial instruments	10,149	4,503
Other receivables	585	2,671
	<u>2,853,585</u>	<u>3,159,754</u>
Non-current assets		
Non-current assets		
Advances to suppliers	21,954	-
Guarantee deposits	442	430
	<u>22,396</u>	<u>430</u>
Permanent assets		
Fixed assets	323,268	339,759
Intangible	2,190,842	2,323,133
	<u>2,514,110</u>	<u>2,662,892</u>
	<u>2,536,506</u>	<u>2,663,322</u>
Total assets	<u><u>5,390,091</u></u>	<u><u>5,823,076</u></u>

BALANCE SHEET (IN THOUSAND R\$)

LIABILITY	Consolidated	
	Dec 2011	Mar 2012
Current liability		
Trade accounts payable	54,342	75,447
Share issue cost payable	295	295
Loans	-	630
Accounts payable - Petra	515,470	712,641
Labor charges	9,740	5,481
Taxes and social contribution	13,668	30,304
Income tax and social contribution	555	26,430
Other payables	1,440	588
	<u>595,510</u>	<u>851,816</u>
Non current		
Loans	-	3,150
Accounts payable - Petra	515,470	646,899
Deferred income tax and social contribution	407,392	407,367
	<u>922,862</u>	<u>1,057,416</u>
Shareholders' equity		
Share Capital	3,809,535	3,815,879
Capital Reserve	416,914	416,914
Cumulative translation adjustments	104,310	86,806
Accumulated loss	(459,040)	(405,755)
	<u>3,871,719</u>	<u>3,913,844</u>
Total liability and shareholders' equity	<u><u>5,390,091</u></u>	<u><u>5,823,076</u></u>

QUARTELY INCOME STATEMENT (IN THOUSAND R\$)

	Consolidated	
	1Q11	1Q12
Net operating revenue	299	3,150
Cost of services	(2,746)	(707)
Gross profit (loss)	(2,447)	2,443
Operational revenues (expenses)		
Geophysics and geology	(19,139)	(44,256)
Administrative expenses	(45,411)	(93,696)
Financial revenue (expenses)	60,490	29,776
Other operational revenues (expenses)	(101)	18
	(4,161)	(108,158)
Operating loss	(6,608)	(105,715)
Non operating income	-	186,515
Loss before income taxes and Social Contribution	(6,608)	80,800
Income tax and social contribution		
Current	(10,351)	(39,313)
Deferred	3,107	11,798
	(7,244)	(27,515)
Net income (loss) for the period	(13,852)	53,285

QUARTELY CASH FLOW STATEMENT (IN THOUSAND R\$)

	Consolidated	
	1Q11	1Q12
Net income (loss) for the period	(13,852)	80,800
Adjustment for reconcile net income to cash generated by operating activities		
Depreciation and amortization	3,644	7,590
Financial result, net	(60,490)	(29,776)
Share-based compensation	4,364	(89)
	<u>(66,334)</u>	<u>58,525</u>
(Increase) decrease in assets		
Accounts receivable	1,743	(1,820,528)
Taxes recoverable	(5,103)	(10,325)
Prepaid Expenses	(17,485)	96
Advances to suppliers	(10,068)	(7,984)
Other current assets	636	(2,087)
Subtotal	<u>(30,277)</u>	<u>(1,840,828)</u>
Increase (decrease) in liabilities		
Trade accounts payable	14,428	21,105
Share issue cost payable	3,890	-
Labor charges	1,982	(4,260)
Taxes and social contribution	2,882	14,996
Other payables	5	(847)
Subtotal	<u>23,187</u>	<u>30,994</u>
Net cash used in operating activities	<u>(73,424)</u>	<u>(1,751,309)</u>

QUARTELY CASH FLOW STATEMENT (IN THOUSAND R\$)

<i>Continuation</i>	Consolidated	
	1Q11	1Q12
Cash flow from investing activities		
Application of capital in Bonds and Securities	202,060	287,876
Acquisition of asset held for sale	-	1,624,729
Acquisition of fixed assets	(65,874)	(22,256)
Acquisition of investments and intangible	(78,406)	(134,143)
Net cash used in investing activities	57,780	1,756,206
Cash flow from financing activities		
Loans - subsidiaries	(350)	-
Loans	-	3,780
Capital contribution	13,021	6,344
Derivative operations	(9,832)	(8,752)
Net cash from financing activities	2,839	1,372
Foreign exchange differences	(1,309)	(21,138)
Net decrease in cash and cash equivalents	(14,114)	(14,869)
Cash and cash equivalents at the beginning of the year	20,850	25,167
Cash and cash equivalents at the end of the year	6,736	10,298
Net decrease in cash and cash equivalents	(14,114)	(14,869)

GLOSSARY

1C, 2C e 3C - According to the D&M report, these are estimates of petroleum resources in terms of degree of uncertainty, with 1C being the least uncertain, 2C being of average uncertainty, and 3C being the most uncertain.

Barrel of Oil or BBL - One "stock tank" barrel, the standard measurement of petroleum volume, corresponding to approximately 159 liters.

Bcf - Billions of cubic feet.

Bcfpd - Billions of cubic feet per day.

Block - Part of a sedimentary basin formed by a vertical prism of indefinite depth, with a polygonal surface defined by the geographic location of the vertices where oil and natural gas exploration and production activities are carried out.

BOE or Barrels of Oil Equivalent - Measurement of volume of natural gas/condensate, converted into barrels of oil using a conversion factor of 5,615 cubic feet of gas per Barrel Of Oil (5,615/1), in accordance with the conversion table from the 2009 BP Statistical Review of World Energy.

Boepd - Barrels of Oil Equivalent per day.

Bpd - Barrels per day.

Contingent Resources - Represent quantities of oil, condensate and natural gas that are potentially recoverable accumulations acknowledged during the development of projects, but are not considered commercially recoverable due to one or more contingencies.

Exploratory Prospect(s) - a prospect is a potential accumulation mapped by geologists or geophysicists where there is a probable estimate of the existence of a commercial accumulation of oil and/or natural gas that is ready to be drilled. The five necessary elements (generation, migration, reservoir, seal and entrapment) for the existence of an accumulation must be present and the lack of any of the five means there is either no accumulation or a sub-commercial accumulation.

E&P - Exploration and production.

Farm-in/Farm-out - Process of partial or complete acquisition of concession rights held by another company. In the same negotiation, the company acquiring the concession rights is in the Farm-in process and the company selling concession rights is in the Farm-out process.

Field - Oil and natural gas producing area resulting from a continuous reservoir or more than one reservoir, with varying depths, including production installations and equipment.

FPSOs - Floating production, storage and offloading units.

Lead - a little defined prospect requiring data and/or additional evaluation to be classified as an exploratory prospect. An example of a lead would be a geological structure with poorly defined closing mapped using sparse regional seismic data for a basin that contains generating rocks and reasonable reservoirs. A lead may or may not be elevated to the category of Exploratory Prospect, depending on the results of additional technical definitions.

Mbbl - Millions of barrels.

Mbpd - Millions of barrels per day.

Mboe - Millions of barrels of oil equivalent.

Offshore - Operated or located at sea.

Onshore - On land.

Prospective Resources - Estimated quantity of potentially recoverable petroleum from accumulations that have yet to be discovered.

Reserves - Discovered resources of oil or natural gas that are commercially recoverable, starting on a specific date.

Tcf - Trillions of cubic feet.

TEFS - The threshold economic field size ("TEFS") is the minimum amount of producible petroleum required in order to recover the total capital expenditure used to establish the exploratory prospect, thereby giving the prospect a potential present value greater than zero. These capital expenditures include investments required to establish and prove the feasibility of profitable production and to conduct delineation or confirmation drilling. All geological, geophysical, leasing and/or contract-area acquisition costs and other anticipated field delineation costs are also included in the estimation of TEFS. Accordingly, where this methodology is employed to estimate TEFS, no additional provision should be made for field development costs.

Truncated - The truncated mean estimate is the resulting expected value calculated from the truncation of the resources distributed by the TEFS. This truncated distribution produces a new set of statistical measurements.

Unconventional Resources - Resources that exist in accumulations of petroleum present in a large area and that do not require gravitation influence to be concentrated. An example of an unconventional resource is shale gas.