



THIRD POINT OFFSHORE FUND, LTD.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

Period Ended June 30, 2010

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Statements of Assets and Liabilities

	Unaudited June 30, 2010 \$	Audited December 31, 2009 \$
(Stated in United States Dollars)		
Assets		
Cash	10,908,011	25,671,768
Investment in Third Point Offshore Master Fund L.P., at fair value	1,691,265,178	1,331,319,447
Investment in affiliated portfolio funds, at fair value (cost 2010: \$104,621,033, 2009: \$102,728,913)	97,585,613	84,275,874
Other investments, at fair value (cost 2010: \$3,220,069, 2009: \$3,998,406)	3,156,552	5,131,038
Redemptions receivable from Third Point Offshore Master Fund L.P.	39,883,814	131,274,451
Total assets	1,842,799,168	1,577,672,578
Liabilities		
Deferred compensation payable	154,047,108	136,137,196
Shareholder redemptions payable	39,902,934	131,274,451
Shareholder subscriptions received in advance	10,900,000	25,674,000
Management fee payable	199,352	6,649,514
Accrued expenses	78,559	16,093
Total liabilities	205,127,953	299,751,254
Commitments (See Note 5)		
Net assets	1,637,671,215	1,277,921,324

Net asset value per share (See Note 4)

See accompanying notes and attached unaudited condensed interim financial statements of Third Point Offshore Master Fund L.P.

Unaudited Statements of Operations

	Half-year June 30, 2010 \$	Half-year June 30, 2009 \$
(Stated in United States Dollars)		
Realized and unrealized gain/(loss) on investment transactions allocated from Third Point Offshore Master Fund L.P.		
Net realized gain/(loss) from securities, derivative contracts and foreign currency translations	107,838,315	(262,558,737)
Net change in unrealized gain on securities positions and foreign currency translations	67,423,746	347,336,143
Net change in unrealized (loss)/gain on derivative contracts and foreign currency translations	(31,220,799)	22,234,953
Net gain from currencies	540,898	2,312,657
Net realized and unrealized gain from investment transactions allocated from Third Point Offshore Master Fund L.P.	144,582,160	109,325,016

Fund realized and unrealized gain/(loss) on investments

Net realized gain/(loss) on affiliated portfolio funds and other investments	960,372	(1,779,858)
Net change in unrealized gain on affiliated portfolio funds, other investments and foreign currency translations	10,221,469	6,958,368
Net realized and unrealized gain from investments	11,181,841	5,178,510

Investment income allocated from Third Point Offshore Master Fund L.P.

Interest	34,338,704	15,120,158
Dividends, net of withholding taxes of 2010: \$2,615,931, 2009: \$1,016,534	6,206,165	9,591,377
Stock loan fees	152,040	66,138
Other	18	3,848
Total investment income allocated from Third Point Offshore Master Fund L.P.	40,696,927	24,781,521

See accompanying notes and attached unaudited condensed interim financial statements of Third Point Offshore Master Fund L.P.

	Half-year June 30, 2010 \$	Half-year June 30, 2009 \$
(Stated in United States Dollars)		
Investment expense allocated from Third Point Offshore Master Fund L.P.		
Incentive allocation	19,809,175	7,950,930
Interest	790,108	533,754
Dividends on securities sold, not yet purchased	1,875,050	2,851,373
Stock borrow fees	5,241,953	35,680,519
Administrative and professional fees	3,913,286	3,524,023
Other	2,578,711	1,001,580
Total investment expenses allocated from Third Point Offshore Master Fund L.P.	34,208,283	51,542,179
Net investment income/(loss) allocated from Third Point Offshore Master Fund L.P.	6,488,644	(26,760,658)

Fund income

Interest	6,673	290
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Fund expenses

Management fee	14,869,838	12,297,424
Appreciation of deferred compensation	17,909,912	9,839,005
Administrative and professional fees	177,042	12,656
Other	38,259	104,236
Total fund expenses	32,995,051	22,253,321
Net fund expense	(32,988,378)	(22,253,031)
Net investment loss	(26,499,734)	(49,013,689)
Net increase in net assets resulting from operations	129,264,267	65,489,837

*See accompanying notes and attached unaudited condensed interim financial statements of
Third Point Offshore Master Fund L.P.*

Unaudited Statements of Changes in Net Assets

	Half-year June 30, 2010 \$	Half-year June 30, 2009 \$
(Stated in United States Dollars)		
Increase in net assets resulting from operations		
Allocated from investment in Third Point Offshore Master Fund L.P.		
Net realized gain/(loss) from securities, derivative contracts and foreign currency translations	107,838,315	(262,558,737)
Net change in unrealized gain on securities positions and foreign currency translations	67,423,746	347,336,143
Net change in unrealized (loss)/gain on derivative contracts and foreign currency translations	(31,220,799)	22,234,953
Net gain from currencies	540,898	2,312,657
Net investment income/(loss)	6,488,644	(26,760,658)
Net realized gain/(loss) from affiliated portfolio funds and other investments	960,372	(1,779,858)
Net change in unrealized gain from affiliated portfolio funds, other investments and foreign currency translations	10,221,469	6,958,368
Net fund expense	(32,988,378)	(22,253,031)
Net increase in net assets resulting from operations	129,264,267	65,489,837
Decrease in net assets resulting from capital share transactions		
Class C Shares issued	–	150,000
Class D Shares issued	–	250,000
Class E Shares issued	230,071,684	6,226
Class F Shares issued	78,325,000	1,850,000
Class K Shares issued	–	2,600,000
Class L Shares issued	–	–
Class M Shares issued	–	–
Class S Shares issued	53,223	–
Class A Shares redeemed	(657)	(44,737,948)
Class B Shares redeemed	–	(693,349)
Class C Shares redeemed	(6,506,376)	(9,933,103)
Class D Shares redeemed	(13,510,213)	(8,420,976)
Class E Shares redeemed	(24,564,289)	(142,411,024)
Class F Shares redeemed	(27,129,930)	(172,809,746)
Class J Shares redeemed	–	(1,179,623)
Class K Shares redeemed	(2,930,579)	(500,000)
Class L Shares redeemed	–	(28,750,590)
Class M Shares redeemed	–	(55,807,134)
Class S Shares redeemed	(3,381,453)	(654,864)
Redemption fee income	59,214	766,447
Net increase/(decrease) in net assets resulting from capital share transactions	230,485,624	(460,275,684)
Net increase/(decrease) in net assets	359,749,891	(394,785,847)
Net assets at beginning of year	1,277,921,324	1,384,197,544
Net assets at end of year	1,637,671,215	989,411,697

See accompanying notes and attached unaudited condensed interim financial statements of
Third Point Offshore Master Fund L.P.

Unaudited Statements of Cash Flows

	Half-year June 30, 2010 \$	Half-year June 30, 2009 \$
<i>(Stated in United States Dollars)</i>		
Cash flows from operating activities		
Net increase in net assets resulting from operations	129,264,267	65,489,837
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:		
Increase in investment in Third Point Offshore Master Fund L.P.	(359,945,731)	(4,642,949)
Decrease/(increase) in redemption receivable from Third Point Offshore Master Fund L.P.	91,390,637	(100,200,208)
Purchases of investments in other investments	(565,000)	(8,065,815)
Purchases of affiliated portfolio funds	(5,000,000)	—
Proceeds from disposition of affiliated portfolio funds	2,500,000	7,446,104
Proceeds from disposition of other investments	2,911,588	—
Increase/(decrease) in deferred compensation payable	17,909,912	(27,160,995)
Decrease in management fee payable	(6,450,162)	(5,122,414)
Increase in accrued expenses	62,466	21,550
Net realized (gain)/loss from affiliated portfolio funds and other investments	(960,372)	1,779,858
Net change in unrealized gain on affiliated portfolio funds, other investments and foreign currency translations	(10,221,469)	(6,958,368)
Net cash used in operating activities	(139,103,864)	(77,413,400)
Cash flows from financing activities		
Proceeds from issuance of shares	293,675,907	4,856,226
Payments for redemption of shares	(169,335,800)	(1,125,634,893)
Net cash provided by/(used in) financing activities	124,340,107	(1,120,778,667)
Net decrease in cash	(14,763,757)	(1,198,192,067)
Cash at beginning of year	25,671,768	1,198,192,072
Cash at end of year	10,908,011	5

See accompanying notes and attached unaudited condensed interim financial statements of Third Point Offshore Master Fund L.P.

Notes to Unaudited Condensed Interim Financial Statements

Period ended June 30, 2010

1. Organization

Third Point Offshore Fund, Ltd. (the “Fund”) was incorporated under the laws of the Cayman Islands on October 21, 1996, commenced operations on December 1, 1996 and is registered under the Cayman Islands Mutual Funds Law. The Fund’s objective is to seek to generate consistent long-term capital appreciation.

The Fund invests substantially all of its assets through the Third Point Offshore Master L.P. (the “Master Partnership”), an exempted limited partnership organized under the laws of the Cayman Islands. Third Point Advisors II L.L.C. (the “General Partner”), a limited liability company formed under the laws of the State of Delaware and an affiliate of Third Point L.L.C., serves as the general partner of the Master Partnership.

Third Point L.L.C. (the “Investment Manager”) is the Investment Manager of the Fund and the Master Partnership. The Investment Manager is registered with the Securities and Exchange Commission as an Investment Adviser under the Investment Advisers Act of 1940. The Investment Manager is responsible for the operation and management of the Fund.

International Fund Services (Ireland) Limited serves as the administrator (the “Administrator”) and transfer agent to the Fund.

2. Significant Accounting Policies

The Fund’s unaudited interim financial statements are condensed in whole and guided by U.S. generally accepted accounting principles (“U.S. GAAP”) and are expressed in United States dollars. Where applicable, certain notes to the unaudited interim financial statements are condensed to include only information relevant to Third Point Offshore Investors Limited (“ListCo”). The following is a summary of the significant accounting and reporting policies:

In accordance with its agreements, the Fund’s investment in the Master Partnership is valued at fair value, which is represented by the Fund’s proportionate interest in the partner’s capital of the Master Partnership, which was \$1,691,265,178 at June 30, 2010. The fair value represents the amount the Fund would expect to receive at June 30, 2010 if it were to liquidate its investment in the Master Partnership. The percent of the Master Partnership owned by the Fund at June 30, 2010 was approximately 94.3%. The Fund’s allocated share of each item of the Master Partnership’s income and expense is reflected in the accompanying statement of operations. The performance of the Fund is directly affected by the performance of the Master Partnership and is subject to the same risks to which the Master Partnership is subject. Attached are the unaudited interim financial statements of the Master Partnership.

Valuation of investments held by the Master Partnership is discussed in the notes to the Master Partnership’s unaudited interim financial statements. The Fund records monthly its proportionate share of the Master Partnership’s income, expenses, and realized and unrealized gains and losses. In addition, the Fund accrues its own income and expenses. The Fund records subscriptions and redemptions related to its investment in the Master Partnership on the transaction date.

2. Significant Accounting Policies (continued)

The Fund's investments in affiliated portfolio funds and other investments are valued at their last sales price as of the last business day of the period. The Fund's investments in affiliated portfolio funds and other investments that are investment funds are valued at fair value, which is an amount equal to the sum of the capital accounts in the investment funds generally determined from financial information provided by the investment managers of the investment funds. The resulting net gains or losses are reflected in the statement of operations and are in connection with the deferred incentive fee agreement with the Investment Manager (the "Deferred Fee Agreement"). Through the Deferred Fee Agreement, the Investment Manager may elect to make deemed investments not directly in the Master Partnership.

The Fund records securities transactions and related income and expense on a trade-date basis. Realized gains and losses are determined using cost calculated on a specific identification basis. Dividends are recorded on the ex-dividend date. Income and expenses, including interest income and expenses, are recorded on the accrual basis.

Assets and liabilities denominated in foreign currencies are translated at the closing rates of exchange at June 30, 2010. Transactions during the year are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction and translation gains and losses are included in the statement of operations. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments, dividends and interest from the fluctuations arising from changes in market prices of securities and derivatives held. Such fluctuations are included within the realized and unrealized gain/(loss) on investment transactions in the statement of operations.

The Fund is exempt from all forms of taxation in the Cayman Islands, including income, capital gains and withholding taxes. In jurisdictions other than the Cayman Islands, in some cases foreign taxes will be withheld at source on dividends and certain interest received by the Fund. Capital gains derived by the Fund in such jurisdictions generally will be exempt from foreign income or withholding taxes at the source.

The preparation of unaudited interim financial statements may require management to make estimates and assumptions that affect the amounts and disclosures in the unaudited interim financial statements and accompanying notes. Actual results could differ from these estimates.

The fair value of the Fund's assets and liabilities, which qualify as financial instruments, approximates the carrying amounts presented in the statement of assets and liabilities.

The Fund adopted the provisions of *Accounting for Uncertainty in Income Taxes* ("ASC 740-10"), formerly known as FASB Interpretation No. 48. ASC 740-10 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. ASC 740-10 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Fund's tax returns to determine whether the tax positions are "morelikely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet a "more-likely-than-not" threshold would be recorded as a tax expense in the current year. The Investment Manager has reviewed the Fund's tax positions and has concluded that no material provision for income tax is required in the Fund's unaudited interim financial statements. Such open tax years remain subject to examination by tax authorities.

The Fund recognizes interest and penalties, if any, related to unrecognized tax positions as income tax expense in the statement of operations. During the period ended June 30, 2010, the Fund did not incur any interest or penalties.

Notes to Unaudited Condensed Interim Financial Statements *continued*

Period ended June 30, 2010

2. Significant Accounting Policies (continued)

Fair value is defined as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The disclosure requirements also establish a framework for measuring fair value, and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. The three-tier hierarchy of inputs is summarized below:

- Level 1 – Quoted prices available in active markets/exchanges for identical investments as of the reporting date. The types of assets and liabilities that are classified at this level generally include equity, fixed income, and option securities listed in active markets.
- Level 2 – Pricing inputs other than observable inputs including but not limited to prices quoted for similar assets or liabilities in active markets/exchanges or prices quoted for identical or similar assets or liabilities in markets that are not active, and fair value is determined through the use of models or other valuation methodologies. The types of assets and liabilities that are classified at this level generally include corporate and asset-backed debt securities, forward contracts, and certain derivatives.
- Level 3 – Pricing inputs unobservable for the investment and include activities where there is little, if any, market activity for the investment. The inputs into determination of fair value require significant management judgment and estimation. The types of assets and liabilities that are classified at this level generally include certain corporate debt, private investments, limited partnerships, investment companies and certain derivatives.

Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Investment Manager's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

2. Significant Accounting Policies (continued)

The following is a summary of the inputs utilized in valuing the Fund's assets and liabilities carried at fair value as of June 30, 2010:

Fair Value Measurements at June 30, 2010

	Quoted prices in active markets (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	Total \$
Assets				
Investments in affiliated portfolio funds	36,838,073	—	60,747,540	97,585,613
Other investments	—	—	3,156,552	3,156,552
Total assets	36,838,073	—	63,904,092	100,742,165

The following table is a reconciliation of assets the Fund held during the period ended June 30, 2010 at fair value using significant unobservable inputs (Level 3):

Fair Value Measurements using Significant Unobservable Inputs (Level 3)

	Balance at January 1, 2010 \$	Purchases, sales and settlements \$	Realized and unrealized gains/(losses)* \$	Net transfers in and/or (out) of Level 3 \$	Balance at June 30, 2010 \$
Assets					
Investments in affiliated portfolio funds	53,332,072	2,500,000	4,915,468	—	60,747,540
Other investments	2,772,038	(53,187)	437,701	—	3,156,552
Total assets	56,104,110	2,446,813	5,353,169	—	63,904,092
Total change in unrealized gain of fair valued assets using significant unobservable inputs (Level 3) still held at June 30, 2010*					\$5,686,198

*Total realized and unrealized gain/(loss) recorded on Level 3 financial instruments are included in net realized and unrealized gain from investment transactions in the statement of income.

Assets and liabilities of the Fund fair valued using significantly unobservable inputs (Level 3) include investments fair valued by the Investment Manager, previously discussed in Note 2, but are not limited to such investments.

During the period ended June 30, 2010, the Fund made no reclassifications of asset or liabilities between Levels.

3. Related Party Transactions

Pursuant to the investment management agreement, the Fund pays the Investment Manager a management fee equal to 2% per annum of the net asset value of the Class A, B, C, D, E, F, and H shares, and 2.5% per annum of the net asset value of the J and K Class Shares as of the beginning of each month before the accrual of any incentive fee. Any portion of the management fee attributable to a shareholder's Class S shares will be debited against the net asset value of the corresponding class of shares from which such Class S shares had been issued. If a shareholder holds Class S shares, but no longer owns Class A, B, C, D, E, F, H, J, and K shares, the management fee will accrue and not be paid until there is a realization or deemed realization event of the Special Investment held by the Master Partnership (as defined in Note 5 in the unaudited interim financial statements of the Master Partnership) attributable to such Class S

Notes to Unaudited Condensed Interim Financial Statements *continued*

Period ended June 30, 2010

3. Related Party Transactions (continued)

shares. For purposes of calculating the management fee of Class S shares, Special Investments held by the Master Partnership attributable to such shares are valued at lower of cost or fair value or, if a Special Investment held by the Master Partnership is designated as such after its acquisition, at fair value as of the date of determination. For the period ended June 30, 2010, the management fee was \$14,869,838 of which \$199,352 was payable at June 30, 2010.

The Fund pays an incentive fee to the Investment Manager, allocated to the General Partner of the Master Partnership, equal to 20% of the annual increase in the aggregate net asset value of each series of Class A, B, C, D, E, F, H, and I shares and 25% of the annual increase in the aggregate net asset value of each series for class J, and K shares (each the "Full Incentive Fee"). For purposes of determining the increase in the aggregate net asset value, Special Investments held by the Master Partnership with attributable appreciation or depreciation from realized (or deemed realized) Special Investments will be included. The incentive fee is accrued monthly and allocated to the General Partner of the Master Partnership at the end of each fiscal year. The incentive fee is calculated in a manner which ensures that appropriate adjustments are made in order to accommodate the inflows and outflows of capital during the course of each fiscal year resulting from shareholder subscriptions and redemptions. If a particular series depreciates during any fiscal year and during subsequent years there is a profit attributable to such series, the series must recover an amount equal to 2.5 times the amount of depreciation in the prior years before the General Partner of the Master Partnership is entitled to the Full Incentive Fee allocation. Until this occurs, the series will be subject to a reduced incentive fee equal to half of the Full Incentive Fee.

Prior to January 1, 2009, pursuant to the provisions of the Deferred Fee Agreement, the Investment Manager was able to elect to defer the receipt of all or a portion of the incentive fee, if any, earned with respect to a particular fiscal year, and was able to elect to have a portion or all of the deferred fee invested in either the same manner as the Fund's assets, or in another manner approved by the Fund. Any incentive fee deferral election made for any fiscal year will remain in effect for subsequent years unless and until the Investment Manager elects to change such deferral election. The value of such deferred amounts constitutes a liability of the Fund to the Investment Manager. Any amounts invested under the provisions of the Deferred Fee Agreement continue for all purposes to be part of the general assets of the Fund, and the Investment Manager has no property interest in any of such assets. As of June 30, 2010, deferred compensation payable was \$154,047,108 and is scheduled for distribution from the year 2011 through 2017. For the period ended June 30, 2010, the deferred compensation payable appreciated \$17,909,912.

In relation to the Deferred Fee Agreement, the Fund invested in two affiliated portfolio funds during the period ended June 30, 2010. The total value of the two funds at June 30, 2010 was \$97,585,613.

Daniel S. Loeb is a director of the Fund and the managing member of the Investment Manager. Mr. Loeb waived his right to director's fees for the period ended June 30, 2010.

Effective January 1, 2009, the General Partner of the Master Partnership receives an incentive allocation from the profits of the Master Partnership. The economic terms of the incentive allocation are the same as the terms of the incentive fee prior to January 1, 2009. However, the incentive fee is no longer being paid by the Fund.

4. Share Capital

The Fund has an authorized share capital consisting of \$2,000,000 divided into 200,000,000 participating shares of \$0.01 each. The Fund issues a separate series of shares to those investors who purchase shares as of the first business day of each month. A different series of shares is issued in order to equitably reflect the differing incentive fees attributable to each series because of the differing issue dates throughout the fiscal year. Shares are offered in series at a purchase price of \$100 per share. At June

4. Share Capital (continued)

30, 2010, there were 9 outstanding classes (each, a “Class”) of shares: Class A, B, C, D, E, F, H, J, and K, and within each class there is one or more separate series. Each share is equal to every other share of the same series with respect to earnings, assets, dividends and voting privileges. Class A, B, C, D, L and M shares are no longer being offered. Class B, D, F and K shares will generally not participate in profits and losses from “new issues”. Class A and B shares have monthly redemption rights; Class C, D, J and K shares have quarterly redemption rights; Class E, F and H shares have annual redemption rights without any redemption fee and quarterly redemption rights subject to a 3% redemption fee payable to the Fund. Effective September 30, 2009, the Fund’s Board of Directors has resolved that the restriction on redeeming Shares Class E, F, G, H and I during an initial one year lock-up period will be waived and redemptions will be permitted during that period, conditional upon a redemption fee being paid to the Fund equal to 5% of the redemption proceeds, and that any redemptions thereafter will no longer be subject to any redemption fees. The redemption fee is for the benefit of the Fund and proceeds are allocated on a pro-rata basis to the remaining shareholders. Redemptions during the lock-up period will be otherwise subject to the standard redemption terms of the relevant class of shares, including notice requirements and permitted redemption dates.

Additional subscriptions made during the period ended June 30, 2010 by shareholders of the Fund who held shares (the “Outstanding Shares”) of a series with loss carry forward will be entitled to participate in the benefit of loss carry forward of those Outstanding Shares.

All redemption rights are subject to an overall limit, at the discretion of the Fund’s Board of Directors, of aggregate redemptions in any calendar quarter of 20% of the Fund’s NAV (excluding assets attributable to Class S shares) as of the first day of such calendar quarter.

The Board of Directors has the right to create additional classes, series and sub-series for an investor as it determines appropriate in its sole discretion. Each series of a Class will have equal rights and privileges with each other series of that Class.

Each Special Investment held by the Master Partnership will be attributed to a series of Class S shares. Class A, B, C, D, E, F, H, J, K, L and M shares will be automatically exchanged by way of redemption and issuance of a series of Class S shares at the time a Special Investment is made in the Master Partnership. Capital invested in Class S shares is generally not available for redemption or distribution until the respective special investment held by the Master Partnership attributed to the shares is realized or deemed realized. Upon the realization or deemed realization of a particular Special Investment held by the Master Partnership, the Class S shares attributable to such Special Investment will be redeemed and exchanged back through the issuance of new shares of the original series from which the Class S shares had been exchanged. If a shareholder redeems less than all of its Class A, B, C, D, E, F, H, J, K, L and M shares in a series associated with a Special Investment held by the Master Partnership, the shareholder would be issued a separate series of shares of that class. During the period ended June 30, 2010, all Class S shares were fully redeemed and the Fund has no Class S shares outstanding at June 30, 2010.

If at the end of a fiscal year, a series of a class of shares is charged a Full Incentive Fee, the shares of such series may be redesignated and converted on the first business day following the end of the fiscal year into the first series of such class at the prevailing net asset value of such series. No redesignation or conversion shall occur with respect to a series of a class if at the end of a fiscal year such series has not been charged a Full Incentive Fee or any shares of such series have been exchanged for Class S Shares that are still outstanding.

Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2010

4. Share Capital (continued)

The Fund may invest, directly or indirectly, in equity securities in initial public offerings deemed “new issues” under Rule 5130 of the FINRA Consolidated Rulebook. “New issues” are defined as any initial public offering of equity, regardless of whether such security is trading at a premium in the secondary market. NASD members generally may not sell “new issues” to an account, in which certain persons or entities designated as restricted persons have beneficial interest.

The following share capital schedule is condensed to include only those share classes and series relevant to ListCo at June 30, 2010. The Fund shall detail all classes and series in the Fund’s audited annual financial statements.

	Shares Outstanding at January 1, 2010	Shares Exchanged	Shares Redeemed	Shares Outstanding at June 30, 2010	Net Asset Value Per Share at June 30, 2010
Class E, Series 9	3,942,067	(11,599)	(3,682)	3,926,786	\$105.13
Class E, Series 10	345,519	3,461	(41)	348,939	73.74
Class E, Series 11	422,780	9,973	(444)	432,309	91.38

5. Commitments

Participation interest purchased by the Fund in connection with the deferred incentive fee agreement with the Investment Manager includes financing commitments obligating the Fund to advance additional amounts on demand. At June 30, 2010, the Fund had unfunded capital commitments of \$6,335,000.

6. Indemnifications

In the normal course of business, the Fund enters into contracts that contain a variety of indemnifications and warranties. The Fund’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote. Thus, no amounts have been accrued related to such indemnifications.

7. Financial Highlights

The following table represents the per share operating performance, ratios to average net assets and total return information for the period ended June 30, 2010. The table only includes those share classes and series relevant to ListCo at June 30, 2010. The Fund shall detail representative series for all outstanding classes in the Fund's audited annual financial statements

	Class E, Series 9	Class E, Series 10	Class E, Series 11
Per share operating performance			
Net asset value at the beginning of the period	\$94.47	\$71.45	\$96.46
Income from investment operations:			
Net realized and unrealized gain/(loss) from investments	11.13	2.68	(4.51)
Net investment loss	(0.47)	(0.39)	(0.57)
Total from investment operations	10.66	2.29	(5.08)
Net asset value at the end of the period	\$105.13	\$73.74	\$91.38
Total return at end of period	11.28%	3.21%	(5.27%)

Ratios of expenses to average net assets

Total expenses before incentive fee and appreciation of deferred compensation	(2.93%)	(3.03%)	(3.07%)
Appreciation of deferred compensation	(1.15%)	(1.20%)	(1.22%)
Total expenses	(4.08%)	(4.23%)	(4.29%)
Net investment loss	(1.59%)	(1.73%)	(1.76%)

The operating performance and ratios have not been annualized. The total return and ratios to average net assets of other series in the same share class may vary based on participation in "new issues" and the timing of capital subscriptions and redemptions.

8. Subsequent Events

Subsequent to June 30, 2010, the Fund received approximately \$38 million in subscriptions from shareholders, of which approximately \$11 million was received in advance. In addition, the Fund received redemption requests of approximately \$17 million for the period through December 31, 2010. Subsequent events were evaluated by the Fund's management until August 24, 2010, which is the date the Unaudited Condensed Interim Financial Statements were issued.

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