**Third Point Offshore Investors Ltd.**
**(the "Company")**
**Interim Management Statement**

Interim Management Statement – July 25, 2007 (commencement of operations) to September 30, 2007

This Interim Management statement has been produced solely to provide additional information to shareholders of the Company to meet the relevant requirements of the U.K. Listing Authority's Disclosure and Transparency Rules. It should not be relied upon by any other party for any other purpose. This statement has not been audited.

**Investment Objective**
The Company invests substantially all of its capital in Third Point Offshore Fund Ltd (the Master Fund). The Master Fund's investment objective is to provide its Shareholders with consistent long-term capital appreciation, by using an Event Driven, bottom-up fundamental approach to evaluate various types of securities throughout companies' capital structure.

**Performance summary**

| **USD Class** | **30 September 2007** | ***25 July 2007** | **% Change** |
|---|---|---|---|
| Share Price | 8.55 | 10.00 | -14.5 % |
| Net asset value per share | 9.15 | 10.00 | -8.5 % |
| Premium/(discount) | -6.6 % | 0.00 % | |

| **EUR Class** | **30 September 2007** | ***25 July 2007** | **% Change** |
|---|---|---|---|
| Share Price | 8.60 | 10.00 | -14.0 % |
| Net asset value per share | 9.10 | 10.00 | -9.0 % |
| Premium/(discount) | -5.5 % | 0.00 % | |

| **GBP Class** | **30 September 2007** | ***25 July 2007** | **% Change** |
|---|---|---|---|
| Share Price | 8.53 | 10.00 | -14.7 % |
| Net asset value per share | 9.13 | 10.00 | -8.7 % |
| Premium/(discount) | -6.6 % | 0.00 % | |

* Commencement of the Company's operations

**Manager's Review**

Turbulent market conditions during the quarter created opportunities for value investing despite a difficult August, where the Master Fund was down 8%. Third Point's losses in the month were triggered by a combination of factors acting in unusual concert. Long positions declined precipitously, particularly those where holdings overlapped with those of the statistical arbitrage quantitative funds, and shorts underperformed. A few positions

held by other hedge funds were liquidated in a wholesale manner and several companies performed below expectations and so deserved to decline. These losses were disappointing, but the fund recovered nicely to close the quarter.

Specifically, in response to August, Third Point reduced gross exposure and sold smaller positions. As times of market dislocation provide excellent opportunities for value investors, the Manager focused on locating and exploiting them, with success.

The Manager found attractive opportunities in merger arbitrage, putting significant capital to work in positions as spreads primarily linked to leverage buyout deals widened. After taking significant profits quickly, Third Point largely exited this space.

The dislocation also presented an opportunity to increase positions in several companies the Manager felt had been unfairly punished in the rout, like Deutsche Bourse and Philips, both of which have proven profitable. After the Federal Reserve rate cut in September, the Manager significantly increased short positions in both the ABX and in shares exposed to the problems in the subprime industry, a contrarian move. The result has been favorable absolute and relative performance to the indices in the current quarter.

The Manager's investment in India's Reliance Capital has been a terrific success, and Third Point continued to find value opportunities in India, prompting an increase in net exposure in the country from 2% to nearly 4%.

Third Point provides additional transparency to the Master Fund's investors. On a monthly basis the Manager discloses (via a RNS release) the Master Fund's sector exposure and performance attribution, geographic exposure, exposure by market cap, top 5 winners and losers, top five positions, and position concentrations.

**Material Events**

The Board of the Company is not aware of any significant events or transactions that have occurred between July 25, 2007 (commencement of operations) and the date of the publication of this statement, which would have a material impact on the financial position of the Company.