



Burford Capital Statement Re YPF Appeal Decision

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NEW YORK, March 27, 2026 /PRNewswire/ -- Burford Capital Limited ("Burford"), the leading global finance and asset management firm focused on law, announces that the United States Court of Appeals for the Second Circuit (the "Second Circuit" or the "Court") released its opinion in the YPF matter today, with a majority of the three-judge panel reversing the District Court's entry of judgment in favor of Petersen and Eton Park. Judge Cabranes dissented and would have affirmed the judgment.

Second Circuit decision

The Court's opinion discussed "the Republic's knowing and flagrant violation of the promises it made to foreign investors" and noted:

- None of the parties, including Argentina, dispute that Argentina violated YPF's Bylaws
- Argentina touted its commitment to tender for minority shareholders' shares and provide a compensated exit in the event of Argentina retaking control of YPF
- Argentina's "reason for doing so was plainly to assure private investors – many of whom were based in the United States – that they would be protected"
- "It may well be that the Republic would not have been able to raise \$1.1 billion from YPF's NYSE-listed ADRs without these investor protections"
- Argentina's "refusal to honor those protections two decades after making them cast doubt on the security of foreign investment in the country more broadly"

The Court also did not accept Argentina's arguments as to *forum non conveniens*, a topic that was the focus of many investors following last year's oral argument.

However, the majority proceeded to hold that Argentina's commitment to make a tender offer was not enforceable by the shareholders who relied on it, in a remarkable abdication of the Second Circuit's role as a guardian of the rights of NYSE investors. In essence, the majority held that promises like these – central to the operation of the US capital markets – cannot necessarily be enforced.

The majority also held that even though Petersen and Eton Park's claims did not challenge the expropriation itself, they were somehow sufficiently related to Argentina's expropriation of a majority of YPF's shares that they should have been brought in the Argentine expropriation compensation process, a process uniquely poorly designed to give US investors the benefit of the bargain promised in the Bylaws.

The majority's opinion concluded by noting that "to the extent that the Republic committed a wrong

against the shareholders it promised to protect, Argentine law did not leave YPF's minority shareholders without any remedy – Plaintiffs could have sought ... to enforce the Bylaws' protections in Argentine court". Doubtless investors who rely on the security of the US capital markets will find little comfort in the idea that they need to seek redress in the courts of the very sovereign that breached its solemn promises.

The dissent took the opposite view – that investors were meant to be protected, that the majority's "narrow" opinion "minimize[s] if not forgets" the "factual realities" and that the District Court was correct and should be affirmed.

Next steps in the US courts

The panel decision is sufficiently extraordinary that we expect that the plaintiffs will seek rehearing en banc by the entire Second Circuit, although statistically the Court rarely grants such requests. (Our release of October 22, 2025 details the various procedural options following a decision by the Second Circuit panel.) The plaintiffs will make a final decision about their next step in the days to come; such a filing is due in 14 days.

Following the Second Circuit's decision on the en banc petition, assuming plaintiffs seek such relief, plaintiffs will consider further steps including whether to seek further review from the Supreme Court of the United States.

Arbitration

In light of the position in the US courts, plaintiffs are likely to consider seriously the commencement of investment treaty arbitration against Argentina. This is the alternative avenue that has always been available should the US courts not entertain the case. It is premature to discuss publicly the scope and contours of the arbitration path, but it is important to recall that US litigation was never the only path for potential relief here, and that Argentina has lost many such investment arbitrations in the past, including a substantial claim funded by Burford that yielded a highly successful result.

Impact on Burford

Burford's management and board of directors, along with Burford's valuation committee and its external auditors, will consider the financial impact of the decision in connection with Burford's first quarter reporting. Burford's valuation policy calls for a partial write-down of assets following an intermediate appellate loss, and we would expect such a non-cash write-down to occur here, although we have not yet determined its magnitude and will include those details as part of our first quarter reporting which we would normally release in early May.

Given the substantial carrying value of the YPF matter on Burford's balance sheet, a material write-down could reduce Burford's balance sheet equity value below the level required under the indentures governing our senior notes to incur additional debt under the provisions permitting debt incurrences based on our debt to equity ratio, which would limit Burford's ability to issue new debt. Our ability to make restricted payments or permitted investments based on our debt to equity ratio also could be limited. Burford no longer has any outstanding debt with maintenance financial covenants that would be implicated by a decline in balance sheet equity.

Christopher Bogart, Burford's Chief Executive Officer, commented:

"The Second Circuit decision is obviously very disappointing and a remarkable abandonment of the

rights of minority NYSE shareholders. However, we have always said that there was risk associated with litigating this case in the US courts, and unless plaintiffs can overturn this regrettable panel decision, investment treaty arbitration remains an entirely viable prospect. We have long had King & Spalding, consistently ranked the leading arbitration firm in the world, at work on this path forward."

"Burford's business today is driven by a large portfolio of matters apart from YPF. That core business continues to perform strongly. We recently raised additional capital to support future investment activity, and we remain focused on the long-term strength of our capital structure. As we evaluate next steps, we remain confident in the strength of the business and the opportunities ahead."

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For more information, please visit www.burfordcapital.com.

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Forward-looking statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the US Securities Exchange Act of 1934, as amended, that are intended to be covered by the safe harbor provided for under these sections. In some cases, words such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "potential", "predict", "projected", "should" or "will", or the negative of such terms or other comparable terminology, are intended to identify forward-looking statements. Although Burford believes that the assumptions, expectations, projections, intentions and beliefs about future results and events reflected in forward-looking statements have a reasonable basis and are expressed in good faith, forward-looking statements involve known and unknown risks, uncertainties and other factors, which could cause Burford's actual results and events to differ materially from (and be more negative than) future results and events expressed, projected or implied by these forward-looking statements. Factors that might cause future results and events to differ include, among others, (i) uncertainty relating to adverse litigation outcomes and the timing of resolution of litigation matters and (ii) those discussed in the "Risk Factors" section of Burford's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the US Securities and Exchange Commission on February 26, 2026. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements contained in the periodic and current reports that Burford files with or furnishes to the US Securities and Exchange Commission. Many of these factors are beyond Burford's ability to control or predict, and new factors emerge from time to time. Furthermore, Burford cannot assess the impact of each such factor on its business or the extent to which any factor or combination of factors may cause actual results and events to be materially different from those contained in any forward-looking statement. Given these uncertainties, readers are cautioned not to place undue reliance on Burford's forward-looking statements.

All subsequent written and oral forward-looking statements attributable to Burford or to persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements speak only as of the date of this press release and, except as required by applicable law, Burford undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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