Favourable Investment Result

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BURFORD CAPITAL REPORTS FAVOURABLE INVESTMENT RESULT

Burford Capital Limited ("Burford"), a leading global finance and investment management firm focused on law, is pleased to announce that a favourable decision in an arbitration matter underlying one of its investments has been rendered by the arbitration tribunal.

The arbitration matter is a claim by Teinver S.A. and others against Argentina in connection with Argentina's expropriation of two airlines. The arbitration tribunal ruled on Friday evening against Argentina, requiring it to pay $324,254,807 in damages plus pre- and post-award interest which remains to be computed. Burford's entitlement from the award is dependent on a number of other variables which are not yet known precisely but is estimated to be in the range of $140 million and is subject to an ongoing and compounding interest entitlement.

As at 30 June 2017, Burford's current investment in this matter is approximately $13 million and it is carried on the balance sheet at a fair value of approximately $30 million. Thus, this favourable result is expected to result in the recognition of substantial additional income (although not approaching Burford's full potential entitlement above) pursuant to Burford's valuation policies. Any such income would be included in Burford's financial result for the second half of its financial year 2017, to be reported in its financial results for the year ended 31 December 2017. However, Burford has not yet determined, nor yet consulted with its auditors about, any impact of the arbitral decision on Burford's financial

statements in 2017.

It is important to emphasize that this arbitral decision does not necessarily mean that this amount will actually be paid in full, or at all. There remain various avenues for challenge to the decision and the matter is not yet free of litigation risk; indeed, the entire decision could later be overturned by an adjudicatory body with higher authority and result in a loss for Burford. Moreover, it is commonplace for there to be negotiations, settlement discussions and discounting that could reduce materially the figures provided above, and Burford generally does not have any control over the outcome of those discussions as it is a third party to the actual litigation.

Nonetheless, it is Burford's policy to announce individually significant investment results such as this one for the information of shareholders despite the uncertainty as to the final outcome. For further background to the Teinver investment, please refer to Burford's 2015 Annual Report.

Christopher Bogart, Chief Executive Officer of Burford, commented:

"We are very pleased with this result and are gratified to see justice done for Teinver and its stakeholders. Without Burford's capital, it is doubtful that this kind of recovery could have been obtained for the claimants. This investment is from our 2010 vintage and proves out what we have said to investors over time: that it is premature to judge any investment vintage until it is entirely complete."

Background to Burford's investment valuation process and its impact on reported earnings

Burford values transparency in its presentation of financial results and wants to be clear with investors about its approach to those results.

Most of Burford's income comes from its litigation finance business. Within that business, there are two principal sources of income for accounting purposes, realized gains on investments and unrealized gains on investments. (Realized and unrealized losses will naturally negatively affect income and the principles we set forth here apply equally to losses.)

Realized gains are straightforward: they represent the amount of profit, net of the return of Burford's invested capital and any previously recognized unrealized gains, on an investment that has either resolved entirely or has been settled or adjudicated such that, in Burford's view, there is no longer litigation risk associated with the investment. (In the latter event, Burford may discount the anticipated profit in respect of an investment to account for any continuing uncertainty as to the recoverability of any amount.) Burford announces individual investment results that will produce realized gains separately from its financial results only when the individual gain is new information which may be material to Burford.

Unrealized gains are more complex: they represent the fair value of Burford's investment assets, as determined by Burford's board of directors in accordance

with the requirements of the relevant IFRS standards, as at the end of the relevant financial reporting period. There is no active secondary market for litigation risk, and thus there is generally no market-based approach to assessing fair value; to the extent that a secondary market transaction does take place with respect to an investment, the implied value of that transaction is a key valuation input. In the absence of such a transaction, we are mindful that the outcome of each matter Burford finances is likely to be inherently uncertain, may take several years to conclude and is often difficult to predict with accuracy. Moreover, litigation matters frequently experience multiple significant shifts in sentiment during their evolution. Burford thus eschews fair values based solely on current sentiment, and focuses on objective events (such as court rulings or settlement offers) to ground its assessment of fair value.

Burford's board of directors assesses the fair value of Burford's investments after the close of each financial reporting period and therefore investors should not expect updates about potential changes in fair value during the course of any given reporting period. Following the close of each financial reporting period, Burford's board determines the fair values of investments after taking into account the views of management, the operation of the audit process and input from external experts (as it considers appropriate). Generally, that process does not conclude finally until shortly before the release of Burford's financial results for the relevant period.

Burford is pleased to be followed by a number of research analysts and we are grateful for their efforts to understand and explain our business. They perform a valuable role in assessing our operating performance, the evolution of the litigation finance market and interpreting other relevant industry developments. However, prospective investors and other market participants must appreciate that, due to the confidential, potentially privileged, long-term and uncertain nature of each investment asset, it is very difficult for research analysts to project accurately the likely investment income of the business. Any projections produced by research analysts are not produced on behalf of Burford and Burford takes no responsibility for such projections.

As a result, prospective investors and other market participants should not treat, and Burford does not intend to treat, the financial projections produced by research analysts as indicative of the market's expectations of Burford's future financial performance. We specifically eschew any obligation to correct estimates made by financial analysts or to inform the market should we come to believe that our actual performance will diverge from those estimates. This is, of course, different to the approach taken by most operating companies, in respect of which research analysts can produce relatively reliable estimates and the relevant company will advise the market if it expects to see performance materially different from the consensus of analyst forecasts. It is important that investors understand that Burford takes a different approach as a result of the different nature of its business.

The person responsible for this release is Elizabeth O'Connell, a Burford Managing Director.

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About Burford Capital

Burford Capital is a leading global finance and investment management firm focused on law. Its businesses include litigation finance and risk management, asset recovery and a wide range of legal finance and advisory activities. Burford is publicly traded on the London Stock Exchange, and it works with law firms and clients around the world from its principal offices in New York, London and Chicago.

For more information about Burford: www.burfordcapital.com

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