Final Results

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RNS Number : 9694S
Burford Capital
23 March 2016

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BURFORD CAPITAL DELIVERS 27% GROWTH IN 2015 OPERATING PROFIT

82% increase in income from litigation finance

Burford Capital Limited ("Burford" or "the Company"), a leading global finance firm focused on law, announces its financial results for the year ended 31 December 2015.

Highlights

- Income increased by 26% to a record $103.0 million (2014: $82 million)
- Driven by 82% increase in income from litigation-related investments to $86.9 million (2014: $47.8 million)
- 27% increase in operating profit to $77.2 million (2014: $60.7 million) and 21% increase in profit after tax to $65.7 million (2014: $54.2 million), contributing to a 16% ROE
- Strong growth in earnings per share, up 42% to 32¢ (2014: 22¢), supporting 14% increase in total dividend to 8.0¢ (2014: 7.0¢); dividend payable on 17 June 2016 with record date of 27 May 2016
- Cumulative net return on invested capital for concluded investments

rises to 70% (2014: 60%), for an IRR of 28% (2014: 24%)

- Persistent high demand for Burford's capital reflected in record new investment commitments of $206 million, up 35% on 2014, sowing seeds for future profits

- Current investment portfolio stands above $627 million in commitments, across 54 different litigation investments (including $100 million portfolio investment in early 2016)

- Strong organic cash generation, with $140 million in cash produced in 2015, more than double prior year

Sir Peter Middleton, Chairman of Burford, commented:

"We have experienced rapid growth over our six year history and 2015 was no exception. Our results continue to demonstrate the fundamentally uncorrelated nature of Burford's business and our ability to generate cash from litigation finance investments without regard to economic or market conditions."

Christopher Bogart, Chief Executive Officer of Burford, added:

"We are delighted to record income of over $100 million for the first time, a milestone reflecting continued strong growth in the diversifying worldwide litigation financing market, as well as our ongoing flexibility in meeting our clients' needs. We see further opportunities to grow, while sustaining underwriting discipline and targeting attractive risk adjusted returns."

Financial Summary

A financial summary is set out below. Burford's complete annual report and audited accounts are available at http://www.rns-pdf.londonstockexchange.com/rns/9694S_1-2016-3-22.pdf or from the Burford website: www.burfordcapital.com/investor-relations/.

	2015	2014	% change
	$'000	$'000	
Litigation investment income	86,903	47,847	82%
Insurance income	12,763	24,338	(48%)
New initiatives income	3,484	222	
Other income	(143)	9,627	
Total Income	**103,007**	**82,034**	**26%**
Operating expenses - litigation investment	(13,953)	(10,416)	
Operating expenses - insurance	(2,577)	(5,396)	
Operating expenses - new initiatives	(4,498)	(1,561)	
Operating expenses - corporate	(4,812)	(3,950)	
Operating profit	**77,167**	**60,711**	**27%**
Finance costs	(9,290)	(3,652)	
Profit before tax	**67,877**	**57,059***	**19%**
Total taxation	(2,204)	(2,906)*	
Profit after tax	**65,673**	**54,153***	**21%**

** Profit before tax, taxation and profit after tax in 2014 do not include the amortisation, and related deferred taxation credit, of the embedded value intangible asset, which is included in the prior period figures in the Consolidated Statement of Comprehensive Income on page 25 of Burford's Annual Report 2015*

Investor and Analyst Conference Call

Burford will host a conference call for investors and analysts at 10:00am (GMT) / 06:00am (EDT) on Wednesday 23 March 2016. The dial-in number for the conference call is +44 (0) 203 003 2666 / +1 212 999 6659 and the password is 'Burford'.

An accompanying presentation will be available on the Burford Capital website: www.burfordcapital.com/investor-relations/

A replay facility will be available until Wednesday 6 April 2016 by dialling +44 (0) 20 8196 1998 / +1 866 583 1035 with the passcode '8679266#'.

Burford's indirect subsidiary, Burford Capital PLC, has also today issued an RNS concerning an intention to hold investor meetings to gauge demand for a possible issue of sterling bonds, which is available at RNS announcement 9699S [Burford Capital PLC - Intention to hold meetings re possible bond issue] or from the Burford website: www.burfordcapital.com/investor-relations/bonds/

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About Burford Capital

Burford is a leading global finance firm focused on law. Our businesses include litigation finance, insurance and risk transfer, law firm lending, corporate intelligence and judgment enforcement, and a wide range of investment activities. Burford's equity and debt securities are publicly traded on the London Stock Exchange. We work with lawyers and clients around the world from our principal offices in New York and London.

For more information about Burford, visit www.burfordcapital.com

This information is provided by RNS
The company news service from the London Stock Exchange

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