Further Petersen Secondary Market Transaction

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Burford Capital
14 March 2017

This announcement contains inside information.

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BURFORD REPORTS FURTHER SECONDARY MARKET TRANSACTION ACTIVITY

Burford Capital Limited ("Burford" or the "Company"), a leading global finance firm focused on law, announces that on 13 March 2017 it sold further participation interests to institutional investors in its possible future proceeds in its investment related to the Petersen claims.

The sales announced today combined with the small sale on 30 December 2016 announced on 3 January 2017 collectively represent the sale of 10% of Burford's interest in the Petersen claims to a group of institutional investors for a total sale price of $40 million. The sales imply a market value for the investment of $400 million, approximately 20x Burford's current invested cost, while permitting Burford to continue to retain 90% of the potential upside in this matter.

However, given their size and the inherent unpredictability of litigation, we do not necessarily regard the implied valuation of these sales as the appropriate carrying value for the remainder of the investment on Burford's balance sheet. Following final auditor and audit committee action, we have recorded a carrying value considerably lower than this implied valuation in our accounts for the year ended 31 December 2016 published today.

The sales announced today will be included in our financial year 2017

numbers. The implied valuation of these new sales may cause a further increase in Burford's carrying value of the Petersen investment given their larger size and thus may cause a corresponding increase in income for the six months ending 30 June 2017. However, Burford has not yet determined, nor yet consulted with its auditors about, the impact of these sales on its total carrying value of the Petersen investment, or the consequent impact on Burford's financial statements, for the 2017 financial year. We discuss our approach to valuation in further detail in our annual report published today. There can be no assurance that the carrying value of Burford's investments will be reflected in its actual realizations.

For background to the Petersen claim, please refer to our prior RNS dated 3 January 2017 and our published annual report for the year ended 31 December 2016.

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

Burford cautions that its earnings for any financial period partly depend on judgments made by management, which are then included in the audit process and ultimately determined by Burford's board of directors. The process for the six months ending 30 June 2017 has not yet commenced and reviews often result in adjustments to initial expectations. Burford does not currently intend to update the market further concerning the earnings impact of these sales prior to the release of its interim results in July 2017.

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 arranging for the release of this announcement on behalf of the Company is Elizabeth O'Connell, Managing Director.

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About Burford Capital

Burford Capital is a leading global finance 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, visit www.burfordcapital.com

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