Further Petersen Secondary Market Transaction

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Burford Capital
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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 it has sold further participation interests to institutional investors in its possible future proceeds from its investment related to the Petersen claims.

Yesterday's sales represent a further 15% of Burford's economic entitlement from the Petersen claims for a sale price of $66 million, implying a total value for Burford's economic entitlement of $440 million.

The sales are in addition to prior sales in March 2017 and December 2016 in which Burford sold 10% of its economic entitlement in the Petersen claims for a sale price of $40 million, implying a total value at that time for Burford's economic entitlement of $400 million. Thus, Burford has now sold a total of 25% of its economic entitlement in the Petersen claims for a total of $106 million and continues to hold 75% of its original economic entitlement.

Despite Burford's enthusiasm for the Petersen claims, there is significant risk in all litigation and Burford regards these sales as prudent risk and balance sheet management transactions. Burford has agreed that it will not engage in further sales of its interest in the Petersen claims at an implied value of less than $600 million and that Burford will not reduce

its holding below 65% until after 31 December 2018 and will permanently hold at least 50.1% of the economic entitlement in the Petersen claims.*

As before, given the size of these sales 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.

Nonetheless, Burford is issuing this RNS because the implied valuation of these new sales may cause a further increase in Burford's carrying value of the Petersen investment and thus may cause a corresponding increase in 2017 income. 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 in 2017. 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 claims, please refer to our prior RNS releases dated 14 March and 3 January 2017 and our 2016 annual report.

** These obligations are subject to an exception until September 2017 for buyers who were engaged in the sales process in March 2017 that Burford does not presently intend to take advantage of.*

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 on 27 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. Burford's businesses include litigation finance and risk management, corporate

intelligence and judgment enforcement, and a wide range of law firm financing activities. Burford's equity and debt securities are publicly traded on the London Stock Exchange, and it works with lawyers and clients around the world from its principal offices in New York and London.

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

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