Interim Management Statement

2010-01-21

RNS Number : 8901F
Burford Capital
21 January 2010

21 January 2010

Burford Capital Announces Further Investments And Reports on Business Progress

Burford Group Announces Expanded Team; Jonathan Molot Appointed Chief Investment Officer

Burford Capital Limited ("Burford" or "the Company"), the commercial dispute investor, today is pleased to report on its progress during its first quarter of existence.

Investment Update

Burford has now closed five investments with total capital commitments in excess of $15 million, two of which were previously described in our announcement dated 23 November 2009 and the other three of which are described below.

- Burford has closed a $5 million investment originated from a major US law firm in connection with a pending corporate litigation matter involving alleged breach of contract and fiduciary duty. In the event of recovery, the structure of the investment provides for the upfront and priority repayment of Burford's entire commitment plus 33% of any settlement before judgment or 40% of any judgment if the matter does not settle before judgment. Factual discovery in this matter is largely complete. Although the current

trial date in June 2010 is not definite, the matter is expected to be resolved within a 12-18 month period and is a further investment for Burford's short duration portfolio.

- Burford has also closed two investments in international arbitration matters, both of which are already pending before arbitral tribunals. Burford expects to commit approximately $6 million in total between the two investments if both remain outstanding through adjudication, and Burford is entitled to between 40% and 50% of any recovery depending on the amount. If not resolved beforehand, one matter would be expected to have its merits hearing in the second half of 2010 and the other in mid-2011. Following a merits hearing it can take a number of months for an arbitral tribunal to release a decision. Both of these matters are for Burford's core investment portfolio.

Investment Pipeline

Burford continues to see strong interest in its investment proposition from law firms, corporations and others. As expected, the major US law firms are a significant source of potential investments for the Company. Burford Group Limited ("Burford Group"), the Company's Investment Adviser, has informed Burford that it has a substantial and growing pipeline of investment opportunities that it is reviewing and on which it is performing diligence. As expected, Burford Group rejects many more potential investments than it recommends to the Company for investment, and also as expected, larger investment opportunities take longer to review and assess than do investments for Burford's short duration portfolio.

Burford Group Expanded Team and Management Structure

Burford Group has informed the Company of the following updates in its staffing and organisation:

- Jonathan T. Molot has been appointed as the Chief Investment Officer of Burford Group and has become a full equity partner.[1] Mr. Molot has chaired Burford Group's Investment Committee since inception. Mr. Molot is also a Professor of Law at Georgetown University Law Center and has been a visiting professor at Harvard Law School. Mr. Molot has also been a senior advisor to the Obama Transition Team and to the US Treasury Department during the early days of the Obama Administration. Mr. Molot is a *magna cum laude* graduate of Harvard Law School and Yale University, clerked for the United States Supreme Court, is an experienced litigator, and is an expert in litigation risk management and litigation finance.

- Selvyn Seidel and Christopher Bogart, Burford's founding Principals, will continue in their current roles; their titles will become Chairman and Chief Executive Officer, respectively.

- Peter Benzian has been appointed a Managing Director of Burford Group LLC, Burford Group's US subsidiary, with responsibility for complex investment review and monitoring. Mr. Benzian was for many years a senior partner at Latham & Watkins and Chairman of the Litigation Department of Latham's San Diego office. He is a member of the National Institute of Trial Advocacy and a member of the Board of Governors and Past President of the Association of Business Trial Lawyers of San Diego. Mr. Benzian is a highly experienced commercial trial lawyer.

- Renee Russell has been appointed Manager, Business Affairs of Burford Group LLC. Ms.

Russell started her career at Goldman Sachs and Time Warner and later attended law school, graduating *cum laude* and in the top 5% of the class from Howard Law School, and practised as an Assistant District Attorney in New York City before joining Burford Group LLC.

- Stefanie Meyenhofer-Peters has joined the investment review team of Burford Group LLC. Ms. Meyenhofer-Peters holds a Masters of Law, *magna cum laude*, from the University of Fribourg Law School in Switzerland and is a qualified and experienced Swiss lawyer who has also recently completed a second Masters of Laws degree from the University of Chicago Law School.

[1] Subject to the approval of the Guernsey Financial Services Commission.

Christopher Bogart, Chief Executive Officer of Burford Group, commented:

"We are pleased to report our substantial progress over our first 90 days. We are gratified that our team has expanded in an exceptional way, and are thrilled to have a world-class talent like Jon Molot as a full partner and CIO. These developments and our ability to close five attractive investments in our first 90 days is a testament to our team, our business model and the market opportunity that exists."

For further information, please contact:

Fox-Pitt, Kelton Limited

Marc Milmo +44 (0)20 7065 2000
Jonny Franklin-Adams

Financial Dynamics

Rob Bailhache +44 (0)20 7269 7200

Nick Henderson +44 (0)20 7269 7114

www.burfordcapital.com

About Burford Capital

Burford Capital's strategy is to create and manage a portfolio of commercial dispute financing investments diversified by duration, claim type, geography and a number of other variables, with the aim of providing shareholders with attractive levels of dividends and capital growth. The Company expects returns to be uncorrelated to general equity market performance.

In the short term, the Company intends to focus on commercial disputes in the United States and on international arbitration matters; in the medium term, the Company may expand its focus to other attractive and suitable jurisdictions.

In the absence of unforeseen circumstances, the Company anticipates that the net proceeds of the IPO should be fully invested (or committed to be invested) within 18 to 24 months of Admission.

Burford Group Limited (the "Investment Adviser") will act as Investment Adviser to the Company. The principals of the Investment Adviser are Christopher Bogart, Selvyn Seidel and Jonathan Molot. Mr. Seidel has 40 years of experience as a practising litigator and chaired a variety of litigation and arbitration activities and cases for one of the largest law firms in the world. Mr. Bogart has been a practising litigator, the general counsel of a Fortune 50 corporation managing a portfolio of litigation, and an investment manager. Mr. Molot has been a practicing litigator, a senior advisor to the Obama Administration, a law school professor, and one of the leading US experts in litigation finance and risk transfer.

The Company is chaired by Sir Peter Middleton, former Group Chairman and Group Chief Executive of Barclays Bank plc. Sir Peter is currently UK Chairman of Marsh & McLennan Companies, Chairman of Camelot Group plc and Chairman of the Centre for Effective Dispute Resolution, and also chaired a review of Civil Justice for the Blair Government.

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

END

IMSSEAFUSFSSELF