



**INVESTOR PRESENTATION**  
**2017 RESULTS**

**14 MARCH 2018**

This presentation is for the use of Burford's public shareholders and is not an offering of any Burford private fund.

“

***Third-party litigation funding is not only here to stay, but primed to expand.”***

- The American Lawyer

“

***Investors apparently can't get enough... Interest in financing litigation shows no sign of slowing.”***

- The Wall Street Journal

“

***Legal disputes are not linked with stock market performance and returns can easily outstrip other investment classes.”***

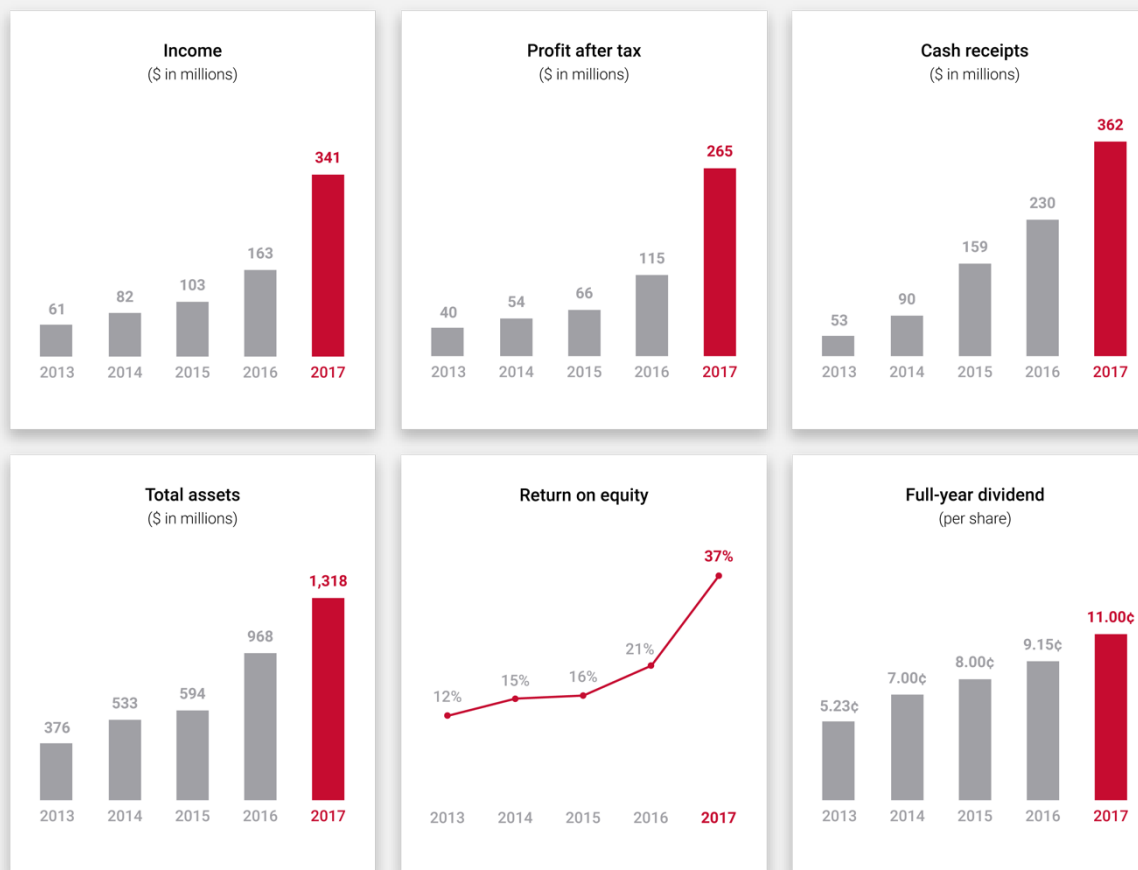
- Financial Times

“

***Burford is unquestionably the dominant force in litigation finance.”***

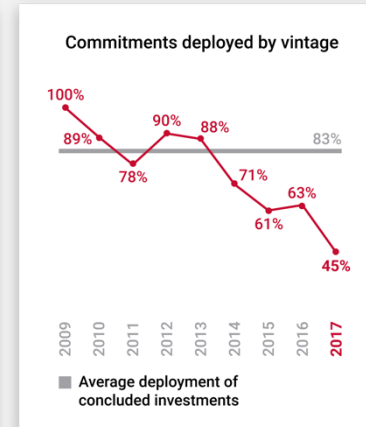
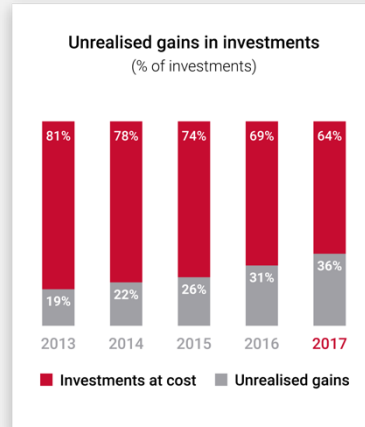
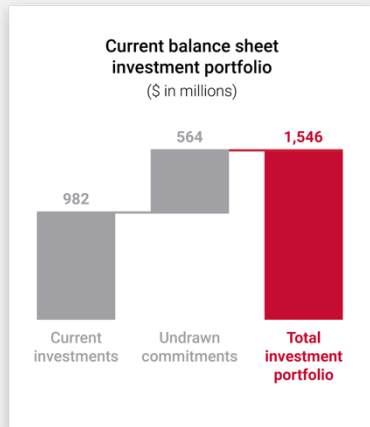
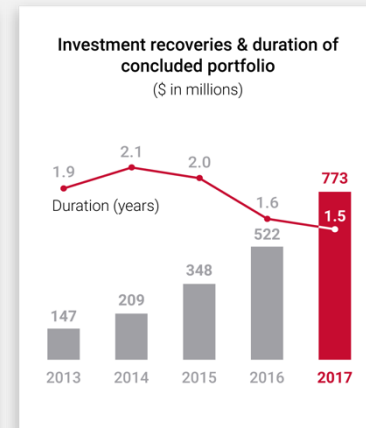
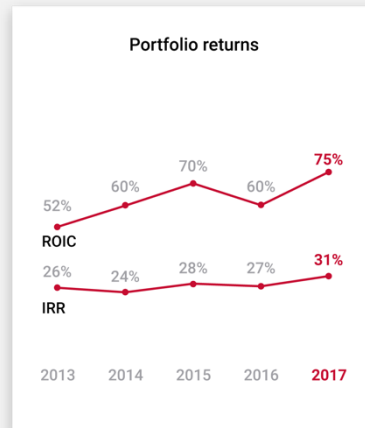
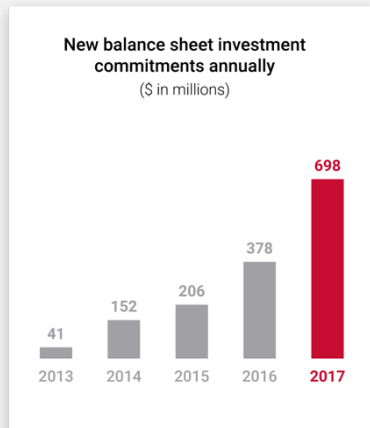
- Reuters

***Our 2017 results were generated by 20 separate investments reporting net realised gains***



Unless otherwise specifically indicated, financial and operational data provided throughout this report is as at 31 December 2017 or for the 2017 fiscal year. Financial statement data generally exclude the impact of amortization of intangible asset and non-recurring acquisition costs relating to the acquisition of GKC Holdings, LLC, investment banking and brokerage fees, exclude third-party interests in consolidated funds and are shown to assist in understanding the underlying performance of the Company.

***Adding Burford's investment funds, new investment commitments were \$1.3 billion in 2017 and the investment portfolio stands at \$2.4 billion***



4 We compute IRRs by treating our entire investment portfolio (or, when noted, a subset thereof) as one undifferentiated pool of capital and measuring inflows and outflows from that pool. IRRs are computed only as to concluded investments and do not include unrealized gains or losses.

***With a market cap of more than \$3.2 billion,  
Burford generated a 103% TSR in 2017***

- More than \$3.2 billion market capitalisation (£2.4 billion)
- Total shareholder return:
  - Twelve months through December 2017: 103%
  - Since 2009 IPO: 1,250%; 37% annualised
- 20 members of management team own 13% of shares outstanding
  - Share-based LTIP launched for all employees in 2017
- Liquid, tradeable stock
  - Average daily volume in 2017: 639,216 shares
  - Average daily turnover in 2017: \$8.1m (£6.0m)
- Low net debt / equity leverage: 0.46x at 31 December 2017
  - Includes impact of US \$180 million bond issued in February 2018 as though it had been issued on 31 December 2017

**37%**

annualised TSR since 2009 IPO

**\$3.2B+**

market capitalisation

**639,216**

average daily volume in 2017

**\$8.1m**

average daily turnover in 2017

**0.46x**

leverage ratio

***Burford is the largest direct investor AND the largest investment fund manager in the legal finance sector***

- Founded in 2009, Burford is a leading provider of finance to the legal market
- Burford has \$3.3 billion of assets dedicated to legal and regulatory risk and a global reach with offices in New York, Chicago, London and Singapore
- With the largest team of experts in legal and regulatory risk, Burford has an unparalleled origination platform and the world's most experienced legal underwriting and investment management team, including more than 40 experienced lawyers
- Burford provides capital and other financing solutions to companies, law firms, and investment funds involved with or invested in complex commercial litigation, arbitration and other matters – addressing a variety of business needs and engaging a range of counterparties across all stages of the legal process
- Focus on legal claims and catalyst-driven investments provides differentiated strategies that help isolate idiosyncratic risk and drive uncorrelated returns

**\$3.3B**

invested in and available for legal finance

**90+**

employees around the world

**88%**

of AmLaw 100 firms have worked with Burford

**50%**

of inquiries have sought funding for claims valued at \$100m+

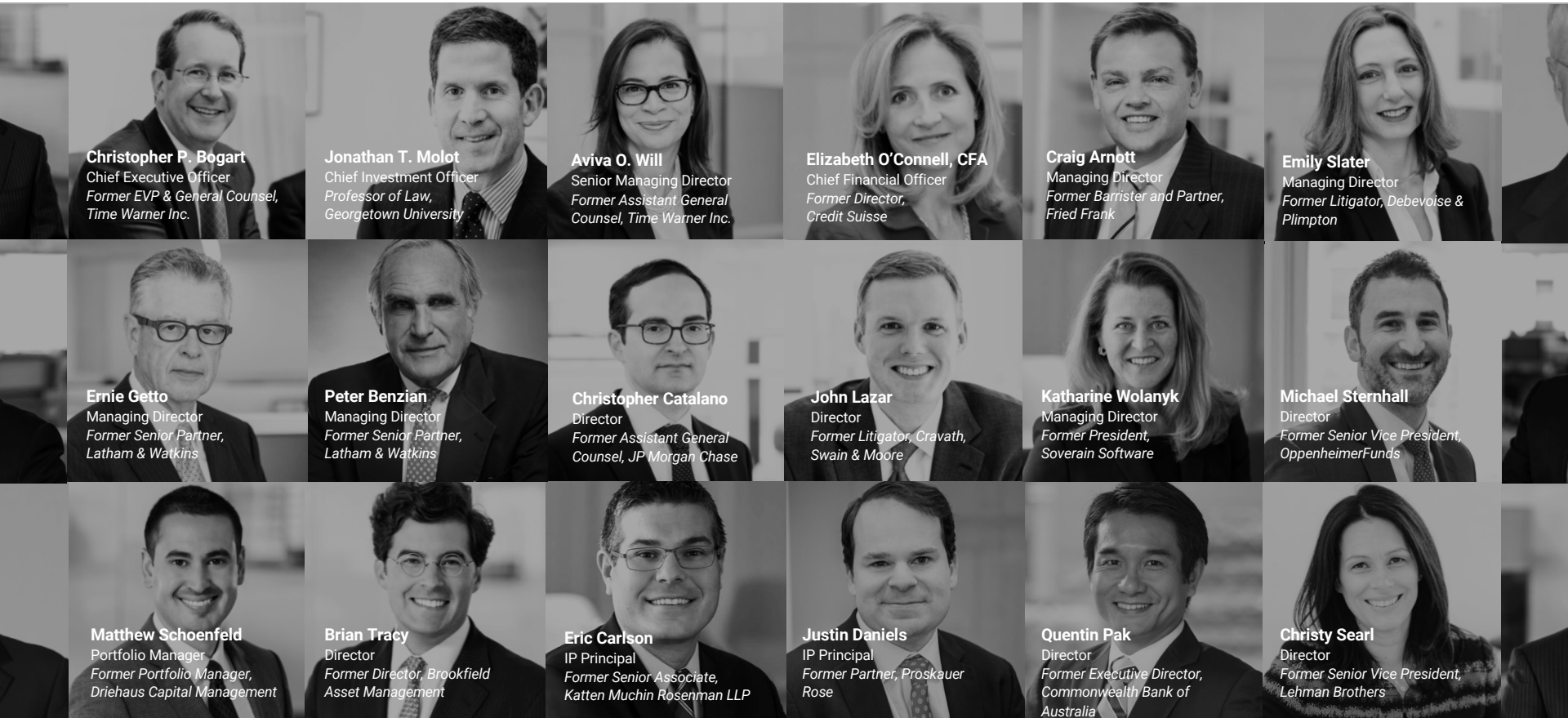
**250+**

years of complex litigation experience on Burford's Investment Committee

Who we are



***More than 90 people – litigators, bankers, and veterans of top law firms and corporations***



**Christopher P. Bogart**  
Chief Executive Officer  
Former EVP & General Counsel,  
Time Warner Inc.

**Jonathan T. Molot**  
Chief Investment Officer  
Professor of Law,  
Georgetown University

**Aviva O. Will**  
Senior Managing Director  
Former Assistant General  
Counsel, Time Warner Inc.

**Elizabeth O'Connell, CFA**  
Chief Financial Officer  
Former Director,  
Credit Suisse

**Craig Arnott**  
Managing Director  
Former Barrister and Partner,  
Fried Frank

**Emily Slater**  
Managing Director  
Former Litigator, Debevoise &  
Plimpton

**Ernie Getto**  
Managing Director  
Former Senior Partner,  
Latham & Watkins

**Peter Benzian**  
Managing Director  
Former Senior Partner,  
Latham & Watkins

**Christopher Catalano**  
Director  
Former Assistant General  
Counsel, JP Morgan Chase

**John Lazar**  
Director  
Former Litigator, Cravath,  
Swain & Moore

**Katharine Wolanyk**  
Managing Director  
Former President,  
Soverain Software

**Michael Sternhall**  
Director  
Former Senior Vice President,  
OppenheimerFunds

**Matthew Schoenfeld**  
Portfolio Manager  
Former Portfolio Manager,  
Driehaus Capital Management

**Brian Tracy**  
Director  
Former Director, Brookfield  
Asset Management

**Eric Carlson**  
IP Principal  
Former Senior Associate,  
Katten Muchin Rosenman LLP

**Justin Daniels**  
IP Principal  
Former Partner, Proskauer  
Rose

**Quentin Pak**  
Director  
Former Executive Director,  
Commonwealth Bank of  
Australia

**Christy Searl**  
Director  
Former Senior Vice President,  
Lehman Brothers

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## *Burford's Core Business*

*"Burford Capital is the titan of litigation finance."*

Bloomberg, 30 May 2017



## *The supply of capital meeting market demand for financing the asset value of legal claims*

***Burford helps commercial claimholders and defendants manage legal costs and risk and equips law firms to generate new business and respond to client needs***

- Litigation finance is a form of specialty finance used by companies and law firms involved in commercial litigation
- It uses the asset value of commercial litigation or arbitration to secure financing
- Litigation is an enormous global market: legal fees spent and payments on legal claims together total hundreds of billions or trillions of dollars annually



### **FOR CLAIMANTS**

Unlocks value of unrecognized and intangible assets

Addresses budget and liquidity constraints

Provides favorable accounting treatment vs. direct pay

Opens access to counsel of choice regardless of fee structure



### **FOR LAW FIRMS**

De-risks balance sheets by partially monetizing risk or receivable positions

Enables firms with a traditional hourly billing model to offer alternative fee arrangements that clients demand

Brings sophisticated financing and liquidity solutions to a sector that is constrained from accessing capital markets



### **FOR DEFENDANTS**

Reduces out-of-pocket litigation costs for budget and accounting purposes

Provides risk management solutions

Allows companies to preserve working capital for other productive needs

Litigation finance is an attractive investment

## *Attractive absolute returns uncorrelated to traditional and alternative asset classes*



### **UNCORRELATED**

Return profile of each underlying investment is dependent on the operation of the adjudicative process and uncorrelated to economic conditions and markets



### **DIVERSIFIED**

Diversification by duration, counterparty, industry, claim type and investment structure helps reduce any potential covariance within the portfolio



### **ASYMMETRICAL**

While most litigation matters settle, and thus resolve without litigation risk, when they do not, the downside of going to trial is generally much smaller than the potential upside



### **GROWING AND EVOLVING MARKET**

The current supply of litigation finance capital is limited and demand is growing



### **HIGH BARRIERS TO ENTRY**

A small pool of known firms provide capital to the asset class due to the unique cross section of legal intellectual capital and specialised financial skills required for underwriting; many multi-strategy firms do not wish to be involved with litigation

## ***Burford can provide financing at any point throughout the litigation process***



### **COMMERCIAL LITIGATION FINANCE**

Burford is the world's largest provider of financial solutions for business litigation



### **PORTFOLIO & COMPLEX FINANCING**

Leader in unlocking strategic capital across multiple matters



### **RISK MANAGEMENT**

Solutions to manage risk from appellate matters to success fees



### **INTERNATIONAL ARBITRATION**

World's most experienced team in financing international arbitration



### **INSOLVENCY & BANKRUPTCY**

Capital and expertise to maximize return from litigation assets



### **COMPETITION & ANTITRUST**

Leading global finance partner for the most complex high-stakes commercial litigation



### **INTELLECTUAL PROPERTY**

Financing plaintiffs and defendants with meritorious positions in IP litigation matters



### **ASSET RECOVERY**

Corporate intelligence to turn judgment debts into assets



### **POST-SETTLEMENT MONETIZATION**

Helping claimants and law firms speed payment of awards and fees

*1*

#### **PLEADINGS**

Filing of complaint  
Motion to dismiss

*2*

#### **PRE-TRIAL**

Discovery process  
Motion for summary judgment

*3*

#### **TRIAL**

Testimony of behalf of claimants and defendants  
Outcome of trial

*4*

#### **POST-TRIAL**

Motions for new trial or appeal

*5*

#### **POST-JUDGMENT ENFORCEMENT**

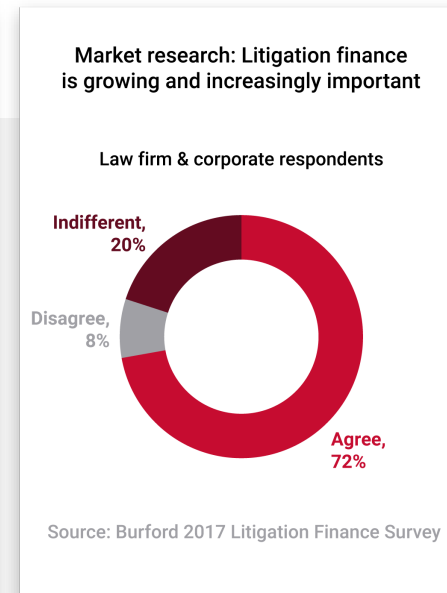
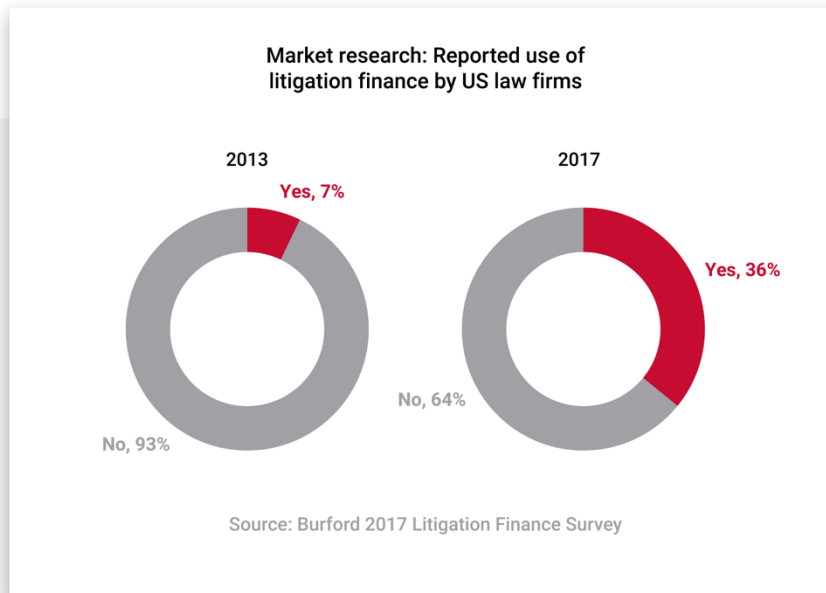
## ***Strong growth in reported use of litigation finance along with increasing importance***

### **INDUSTRY MEDIA COVERAGE**

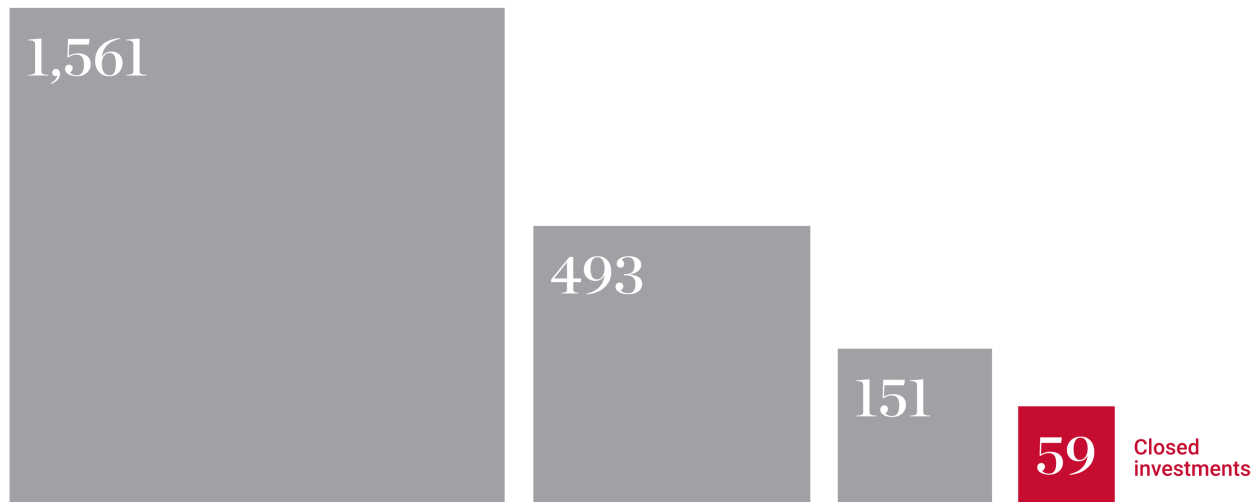
- 2017 nearly equaled prior seven years combined
- Jan/Feb 2018 already more than half 2017 volume

### **GLOBAL INDUSTRY GROWTH**

- Expansion across many markets, including Asia opening in 2017



***Dedicated teams guide process from initial sourcing through investment and monitoring***



**Inbound inquiries: screening**

Number of 2017 inquiries generated from marketing and dedicated origination that run through our initial screening process, filtering potential investments into our pipeline.

**Pipeline process**

Number of potential investments assigned to underwriters, discussed among the global investment team and progressed into more significant diligence.

Burford combines proprietary data and deep experience in its in-house diligence process.

**Investment Committee**

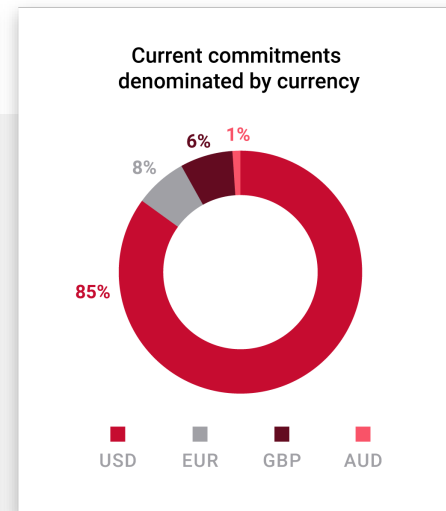
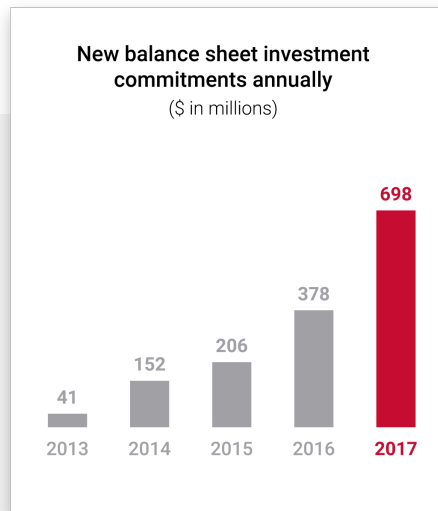
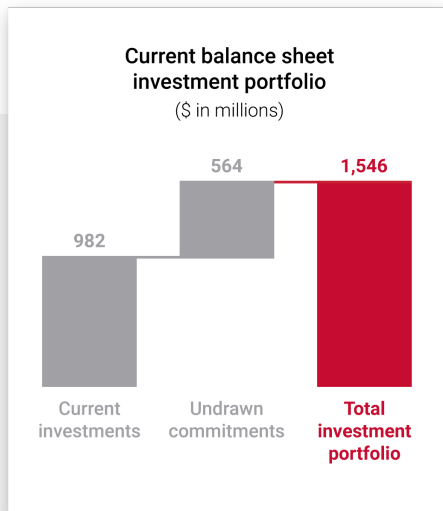
Number of potential investments that were presented to our Investment Committee for consideration as part of the portfolio construction process.

Burford's Investment Committee has 250+ years of combined litigation experience.

**59** Closed investments

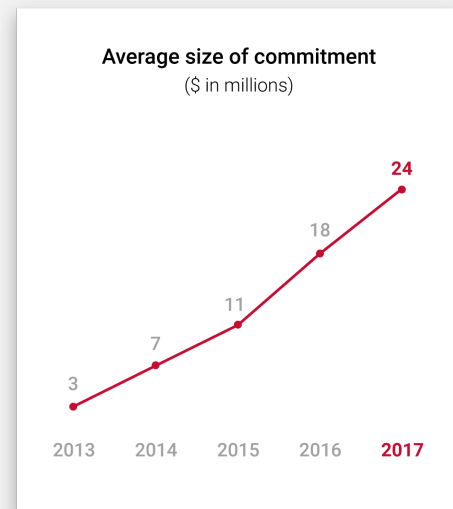
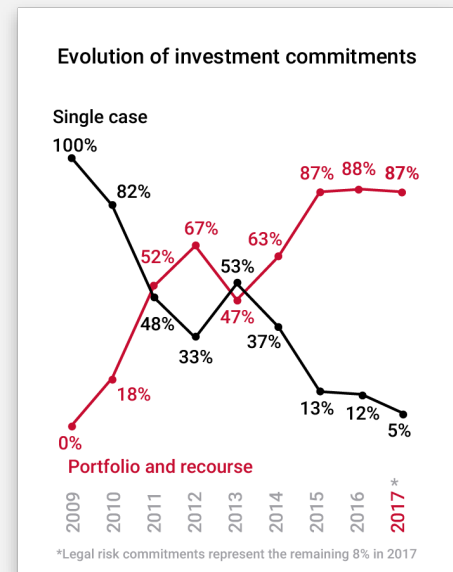
## ***Burford's balance sheet portfolio of investments exceeds \$1.5 billion; with fund investments the portfolio exceeds \$2.4 billion***

- 877 claims underlie 82 ongoing investments in more than 30 different states and countries
- Working with more than 40 law firms
- No case capital loss would exceed 2% of Burford's balance sheet portfolio
- Every defendant is under 5% of commitments
- Largest law firm relationship is 14% of investments – with 30+ partners involved



## ***Trend towards multi-case portfolios and complex structures to reduce binary risk***

- Single case finance remains important to clients and we believe Burford leads the single case market
- However, single case loss rates of 19% mean capital pricing is expensive
  - 90% ROIC needed on successful matters to generate 54% overall ROIC on single case investments
- By comparison, portfolio loss rates are 3% and portfolios currently generate higher net returns



***Committed \$1.3 billion in litigation investments in 2017, more than triple the \$378 million committed in 2016***

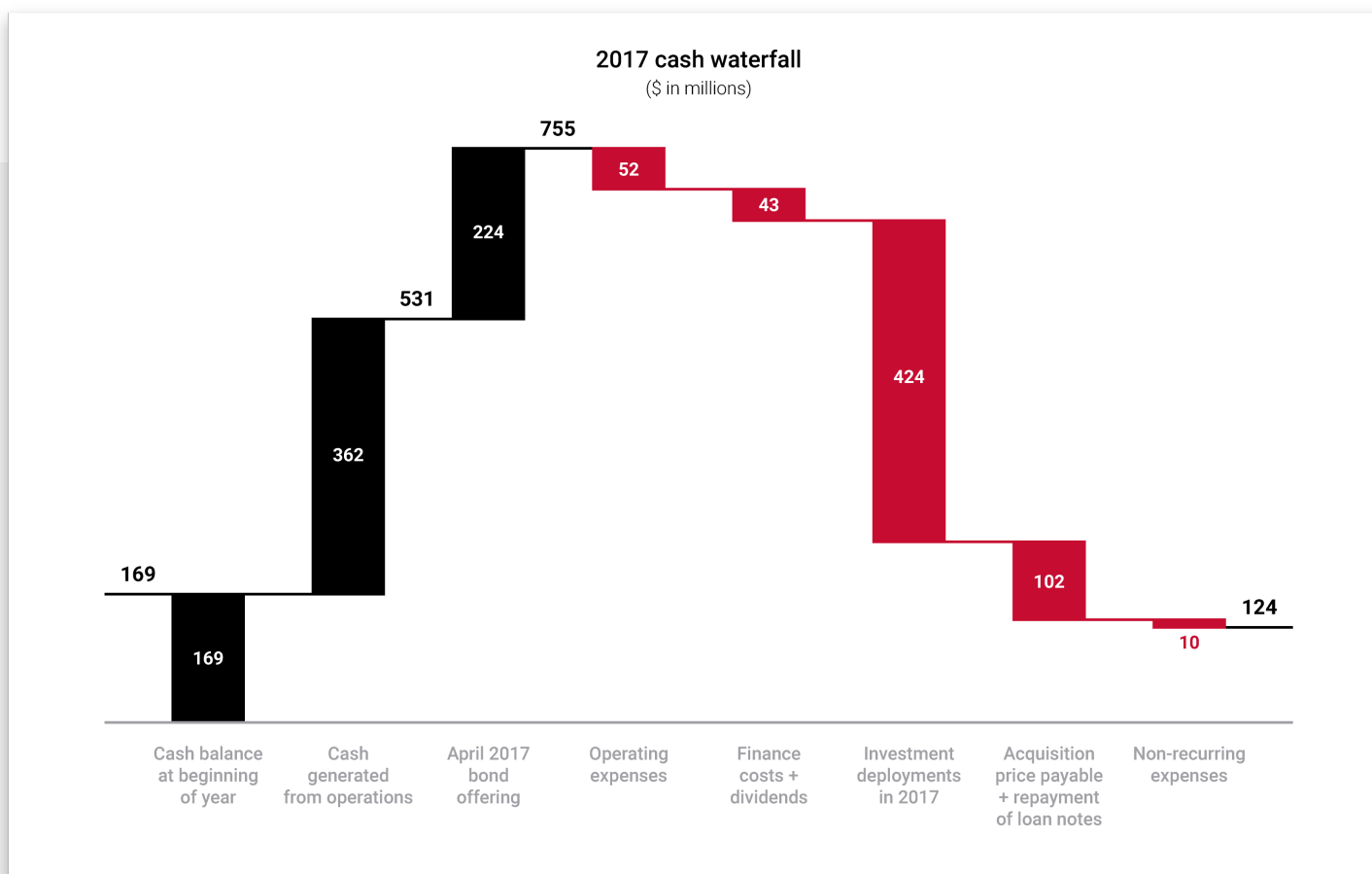
	Upfront Capital Outlay	Binary Risk	Multiple Paths to Recovery	Ownership Interest in Asset		2017 Balance Sheet Commitments		2017 Investment Fund Commitments	
Single case finance	●	●			Binary legal risk on a single claim investment	\$34.4m	5%	\$38.3m	6%
Portfolio finance	●		●		Legal claim risk with multiple paths to recovery to reduce the risk of total loss	\$377.8m	54%	\$347.7m	54%
Recourse finance	●		●	●	Underlying asset value in addition to risk on legal claim mitigates against the possibility of suffering a complete loss upon failure of the claim	\$226.9m	33%	\$248.4m	38%
Legal risk management		●	or ●		No deployment of capital unless there is a failure of the claim (e.g., adverse costs indemnity)	\$59.2m	8%	\$10.8m	2%
<b>Total</b>						<b>\$698.3m</b>	<b>100%</b>	<b>\$645.2m</b>	<b>100%</b>

**Total investment commitments**

**\$1.344 billion**



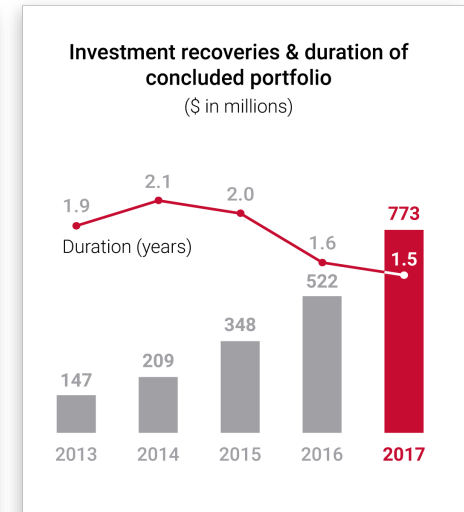
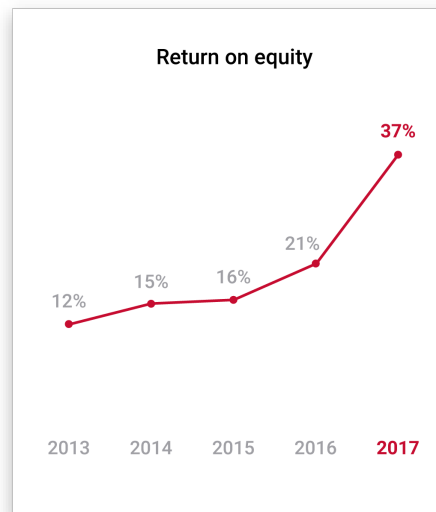
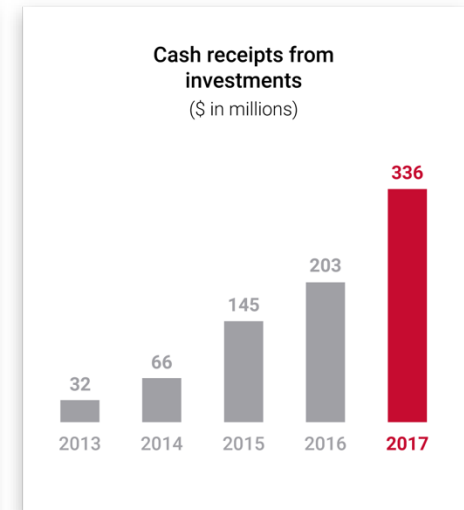
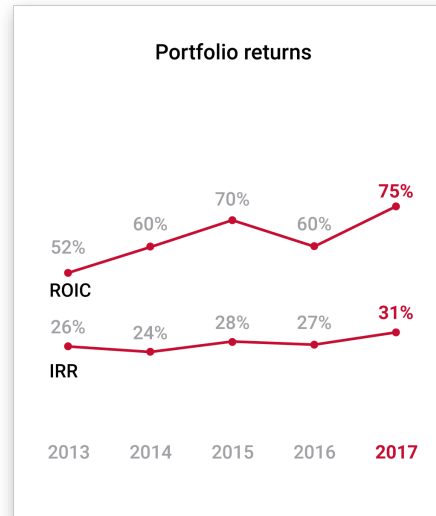
***With \$169 million of cash on hand at the beginning of the year and cash flow generation of \$362 million in 2017, Burford had sufficient organic capital to meet all of its cash needs for operations and investment deployments in 2017***



Concluded strong investment performance

***Burford has a substantial track record of performance based on \$773 million of concluded investments***

- \$773 million of concluded investments have now produced 75% ROIC and 31% IRR
- Return on equity jumped to 37%
- Weighted average duration of the portfolio fell to 1.5 years
- Receivables balance fell to historic lows of \$4.8 million (2016: \$39.3m) as collections increased significantly
- Cash receipts rose to \$336 million (2016: \$203 million) enabling reinvestment



***Since inception the investment portfolio has generated a cumulative 75% ROIC and 31% IRR***

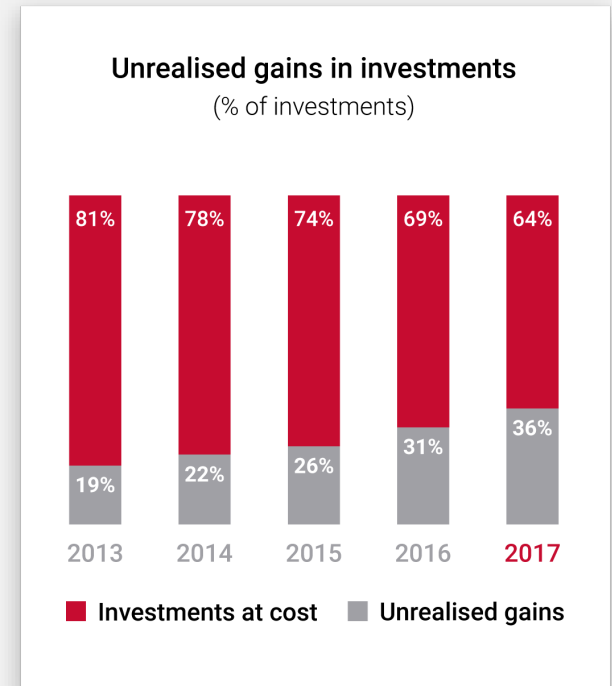
- Performance of concluded investments illustrated by vintage
- Burford has recovered \$773 million on \$443 million invested spread across 61 investments
- Chart does not include investments that were not concluded at year-end – such as Tenvier in the 2010 vintage now sold for \$107 million

\$ in millions	# of investments	Total commitments	Total invested	Total recovered	ROIC	IRR	\$ in millions	# of investments	Total commitments	Total invested	Total recovered	ROIC	IRR					
Concluded	3	\$11.5	\$11.5	\$40.1	<b>251%</b>	<b>32%</b>	Concluded	11	\$61.8	\$43.3	\$63.6	<b>61%</b>	<b>57%</b>					
Partial realisation	-	-	-	-			Partial realisation	4	\$47.8	\$33.2	\$22.2							
Ongoing	-	-	-	-			Ongoing	8	\$53.1	\$38.8	-							
<b>2009 vintage total</b>	<b>3</b>	<b>\$11.5</b>	<b>\$11.5</b>	<b>\$40.1</b>			<b>2014 vintage total</b>	<b>23</b>	<b>\$162.7</b>	<b>\$115.3</b>	<b>\$85.8</b>							
Concluded	12	\$70.5	\$57.8	\$75.6	<b>31%</b>	<b>10%</b>	Concluded	7	\$68.2	\$55.5	\$62.9	<b>183%</b>	<b>205%</b>					
Partial realisation	-	-	-	-			Partial realisation	3	\$44.5	\$21.1	\$107.6							
Ongoing	4	\$44.8	\$44.8	-			Ongoing	7	\$80.5	\$41.0	-							
<b>2010 vintage total</b>	<b>16</b>	<b>\$115.3</b>	<b>\$102.6</b>	<b>\$75.6</b>			<b>2015 vintage total</b>	<b>17</b>	<b>\$193.2</b>	<b>\$117.6</b>	<b>\$170.5</b>							
Concluded	9	\$78.9	\$55.9	\$85.3	<b>51%</b>	<b>16%</b>	Concluded	3	\$12.4	\$12.4	\$18.3	<b>36%</b>	<b>36%</b>					
Partial realisation	1	\$15.6	\$15.8	\$1.4			Partial realisation	4	\$155.9	\$151.8	\$136.1							
Ongoing	4	\$28.1	\$23.7	-			Ongoing	13	\$185.0	\$59.6	-							
<b>2011 vintage total</b>	<b>14</b>	<b>\$122.6</b>	<b>\$95.4</b>	<b>\$86.7</b>			<b>2016 vintage total*</b>	<b>20</b>	<b>\$353.3</b>	<b>\$223.8</b>	<b>\$154.4</b>							
Concluded	8	\$61.5	\$56.7	\$119.4	<b>110%</b>	<b>42%</b>	Concluded	-	-	-	-	<b>13%</b>	<b>250%</b>					
Partial realisation	-	-	-	-			Partial realisation	1	\$160.4	\$163.9	\$13.1							
Ongoing	1	\$2.0	\$0.5	-			Ongoing	28	\$537.4	\$151.0	-							
<b>2012 vintage total</b>	<b>9</b>	<b>\$63.5</b>	<b>\$57.2</b>	<b>\$119.4</b>			<b>2017 vintage total</b>	<b>29</b>	<b>\$697.8</b>	<b>\$314.9</b>	<b>\$13.1</b>							
Concluded	8	\$20.8	\$19.7	\$25.0	<b>30%</b>	<b>22%</b>	<b>Total investment recoveries to date</b>						<b>61</b>	<b>\$515.6</b>	<b>\$442.8</b>	<b>\$772.7</b>	<b>75%</b>	<b>31%</b>
Partial realisation	2	\$3.5	\$3.5	\$2.1			<b>Total ongoing investments</b>						<b>82</b>	<b>\$1,242.2</b>	<b>\$628.8</b>	<b>-</b>		
Ongoing	2	\$13.6	\$10.1	-														
<b>2013 vintage total</b>	<b>12</b>	<b>\$37.9</b>	<b>\$33.3</b>	<b>\$27.1</b>														

\* An investment initially closed in 2016 has been rolled into a portfolio investment in 2017

***Burford's valuations are conservative and have historically been reliable***

- Significant majority of our investments are held at invested cost with no valuation change
- Investment portfolio comprised of 64% cost and 36% unrealized gain
- Portion of income from unrealized gain consistent – 53% in 2017, 54% in 2016
- Petersen carried well below trading market value; Teinver carried well below entitlement value and ultimate sale price
- Only two investments that were written-up, amounting to 0.2% of total write-ups by dollar value, have ever turned into a loss



Teinver: significant success in 2010 vintage

## ***Successful arbitration award led to secondary market sale***

- Arbitration tribunal released decision on 21 July 2017 against Argentina for \$324 million plus interest in connection with airline expropriation
- Burford's entitlement from the award is above \$100 million but subject to discounting as part of settlement and enforcement dynamics
- Burford has announced the sale of its interest in Teinver for \$107 million, a \$94.2 million investment gain and a 736% return on invested capital, in a transaction closing on 22 March 2018.

The Teinver award is the subject of ongoing annulment proceedings. Annulment (the cancellation of an award) is only available in very limited circumstances of serious error by the arbitration tribunal that we do not believe exist here, with only 6% of awards ever rendered by the World Bank's arbitration institution having been annulled (and only 3% in the current decade). Were the award to be annulled, the sale transaction could be rescinded at the option of the buyers, although in that unlikely event Burford would retain a \$7 million fee and would also have its original entitlement back and be free to pursue the claim again. Based on the historical speed of annulment proceedings a decision on annulment would be expected in the second half of 2019 although individual case timing is unpredictable.

***Sold 25% interest for \$106 million cash in an asset in which Burford has invested ~\$18 million while retaining a 75% interest***

- In late 2016 and early 2017 Burford sold 10% of its interest in its entitlement from the Petersen claim for \$40 million to a number of institutional investors valuing Burford's investment at \$400 million
- In June 2017 Burford sold a further 15% interest for \$66 million valuing Burford's investment at \$440 million
  - The secondary sales produced one of Burford's most successful cash-generating investments and Burford still retains a 75% interest
- Petersen claims: classic asymmetrical litigation investment, with moderate invested cost and significant potential upside
- Procedurally, the case is proceeding through the US federal courts in New York
  - Petersen had an initial success in trial court that concerned the procedural ability of the US courts to hear the case vs. World Bank arbitration
  - The defendants have appealed that result to the appellate court which heard oral argument on the appeal in June 2017 and will render its decision in due course – there is no date by which the court is obliged to release a ruling

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## *Investment management business*

*“It is doubtful the market has yet appreciated the benefits of the [Burford-Gerchen Keller] deal, in a market that can only continue to grow”*

The Times, 2 January 2017

## ***Availability of fund capital enabled Burford's record-breaking 2017 growth***

- Burford is the largest investment manager in our sector; our AUM grew to \$1.7 billion in 2017
- \$13 million in management fee income earned in 2017
- New \$500 million complex strategies fund raised in 2017; \$320 million already invested and first investment resolved less than six months after launch providing 16% ROIC / 324% IRR
- Existing Partners funds are paying performance fees and are close to fully committed; new fundraising is anticipated in 2018
- Funds historically invested in by pension funds, university endowments and family offices



## ***Traditional pre-settlement litigation finance funds***

### **PARTNERS I** (In harvest mode)

- \$45.5m in investor commitments
- \$31.1m ultimately deployed in 17 investments
- 13 resolved – 39% net IRR and 140% net ROIC
- 2017: \$1.3m performance fees; \$0.2m management fees
- One outstanding investment: \$31m return net of invested capital, almost \$5m in performance fees

### **PARTNERS II** (In harvest mode)

- \$259.8m in investor commitments
- 36 investments, 11 resolved
- 2017: \$2.2m management fees; no performance fees yet (European model)
- Two largest pending investments entitled to \$22m in proceeds on \$9m invested
- \$85.5m of fund on 0/50 basis

### **PARTNERS III** (Currently investing 50/50 allocation policy with balance sheet\*)

- \$412m in investor commitments
- \$334m committed to investments at 31 December 2017 and now close to fully committed
- 2017: \$6.2m management fees; no performance fees yet (European model)
- 2017: \$13.2m in profits on \$31.8m of commitments for a 71.4% ROIC

\*The first \$15 million of all pre-settlement investments will be allocated on a 50/50 basis between Burford's own balance sheet capital and Partners III, with Burford's balance sheet taking any commitment in excess of \$15 million up to its risk tolerance with the fund able to take further capacity thereafter up to its own risk tolerance

## ***Specialty funds extend Burford's reach***

### **POST SETTLEMENT**

- \$296.1m in investor commitments at 31 Dec 2017 + sidecars
- Fund provides client service and investor introduction to litigation finance space
- 2017: \$3.4m management fees
- Returns are in the single digits and thus performance fees not a significant factor

### **COMPLEX STRATEGIES**

- \$500m fund raised in June 2017
- \$320m invested by 31 Dec 2017, with ongoing investing in 2018
- 2017: \$0.9m management fees and \$0.3m performance fees
- One investment resolved rapidly so far: 324% IRR and 16% ROIC on \$22.8m investment

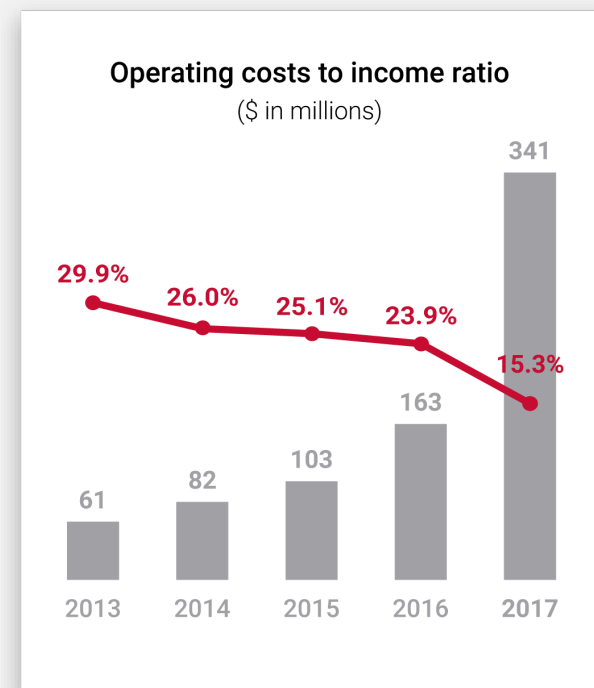
With the exception of the new complex strategies fund whose IRR is based on a single resolved investment, the IRR is calculated for each private fund as a whole, based on the timing of capital contributions/distributions and ending fund net asset value (either on a gross or net basis, as denoted within).

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# *Corporate matters*

## ***Operating costs to income ratio has steadily declined***

- Operating costs are expensed as incurred – they are not capitalized
  - Burford performs virtually all of our investment activities in-house and thus does not add significant external costs to our investment balances
- We believe that doing our own investment diligence yields the best outcome
  - However, it introduces a timing mismatch between current expenses and future earnings on investments that incurred those expenses
- Staff costs are our largest operating expense
  - Typically compensation is made up of base salaries and performance-based annual bonuses
  - LTIP awards align employees and shareholders
  - Individualized incentive compensation in some cases
  - Our general compensation philosophy is team-based as we believe that investing in this asset class benefits from a team rather than an individual approach
- Operating leverage exists in our business, especially as we increase our level of portfolio transactions, but growth nonetheless requires expansion of our team



## ***As Burford's growth increases it will add investment fund capital to its successful use of public debt***

### **EFFICIENT FINANCING**

#### ***Low-cost, long term debt is an efficient way of financing growth – and Burford's leverage remains low***

- Weighted average life of debt = 7.2 years, considerably longer than average duration of investments
- Weighted average interest rate = 5.8%
- Net Debt / Equity leverage = 0.46x
- 2017 Interest coverage ratio (Operating profit / interest expense) = 12x

### **RECENT BOND ISSUE**

#### ***Successfully Issued 4<sup>th</sup> listed bond: February 2018***

- First-ever US dollar-denominated bond issue on the London Stock Exchange's Order Book for Retail Bonds
- Raised \$180 million 7.5 year debt, 6.125% coupon
- Priced 349 basis points over US Treasuries of similar maturity, significantly tighter than the coupon spread of 394 basis points over comparable Gilts on our April 2017 bond offering

### **GREATER FLEXIBILITY**

#### ***Investment fund capital offers greater flexibility, high returns on capital and is abundant – but at a cost***

- Burford's investment returns have historically been quite high
- Thus, financing Burford's investments with low-cost, on-balance sheet capital has preserved the bulk of Burford's investment returns for its equity investors
- The use of leverage has been profit-maximizing and Burford certainly has the capacity to take on more debt – while not wanting to become highly leveraged
- However, the availability of investment fund capital will permit further expansion of the business and improve capital efficiency, although more of our investment returns will go to the providers of that capital

## ***Robust corporate governance and independence***



**Sir Peter Middleton GCB**  
Chairman

Sir Peter Middleton was until 2013 UK Chairman of Marsh & McLennan Companies and Chairman of Mercer Ltd. He was previously Permanent Secretary at HM Treasury and Group Chairman and Chief Executive of Barclays Bank PLC. Sir Peter remains active in a number of other business ventures which are set forth on our web site.



**Hugh Steven Wilson**  
Vice Chairman

Mr. Wilson was a senior partner with Latham & Watkins, where he was Global Co-Chair of the Mergers and Acquisitions Practice Group and former Chairman of both the National Litigation Department and the National Mergers and Acquisitions Litigation Practice Group. He is the former Managing Partner of Tennenbaum Capital Partners.



**David Lowe OBE**  
Director

Mr. Lowe was Senior Jurat of the Guernsey Royal Court. He was previously the Chief Executive of Bucktrout & Company Limited and a former director of Lazard and Barclays Capital in Guernsey.



**Charles Parkinson**  
Director

Mr. Parkinson is President of the States of Guernsey Trading Supervisory Board and is President of the Committee for Economic Development. He was formerly the Minister of Treasury and Resources for the States of Guernsey. He is a past Partner / Director of PKF Guernsey, accountants and fiduciaries, and is a barrister and an accountant.

- All directors are non-executive and all committees composed solely of independent directors
- All directors attended every in-person full day quarterly meeting in 2017
- CEO and CIO attended all board meetings in full except for closed sessions

## ***Multiple levels of risk oversight at the enterprise level and within business units***



### **PORTFOLIO RISK MANAGEMENT**

Burford approaches litigation as it would any other investable asset class, by examining at the individual and aggregated level:

- Single-position risk limits and general diversification considerations
- Detailed scenario analyses
- Durational targets balanced between settlement and litigation opportunities
- Party-specific financial, credit and counterparty risk reviews
- Concentration limits
- Overall asset coverage ratios
- Robust post-consummation systems
- Monthly risk review and assessment of every investment
- Quarterly presentation to the Board about portfolio risk
- Semi-annual investment review and revaluation with auditors and audit committee



### **STRUCTURAL OVERSIGHT AT MULTIPLE LEVELS**

Investment Committee (Weekly)

- Reviews and approves every investment

Portfolio Committee (Monthly)

- Detailed analysis of current portfolio, including individual investment performance, portfolio composition and exposures, specific action items if any under-performing investments; implementation and documentation of valuation process

Operations Committee (Monthly)

- Senior management review of business operations including legal, compliance, marketing, origination, finance and HR

Board of Directors (Quarterly)

- Entirely independent and non-executive board
- Chairman – former Chairman and CEO of Barclays; Vice Chairman – former Managing Partner of Tennenbaum Capital Partners
- Meet quarterly for full day review of entire business

## ***Firm-wide dedication to risk management, internal controls, and compliance***



### **INTERNAL CONTROLS**

- Under the direction of the Chief Compliance Officer, Burford maintains a comprehensive compliance program consisting of policies and procedures, monitoring, and training to ensure adherence to all applicable laws and rules, including FCA and SEC regulations
- Compliance partners with consultants and outside counsel to stay abreast of best practices and new regulations
- Extensive and experienced 13-member finance team
- IT infrastructure is cloud-based and business continuity provisions ensure key personnel can access systems remotely and can scale
- IT and Compliance teams work together to ensure adequate controls are in place for cybersecurity, including testing, monitoring, policy development and employee training



### **EXTERNAL CONTROLS**

- Manager of third-party capital has been a registered investment adviser with the U.S. Securities and Exchange Commission since 2014
- Engagement of best in class service providers



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