



3 June 2020



Source: Refinitiv

Market data

EPIC/TKR	BUR
Price (p)	469.6
12m High (p)	1,669.0
12m Low (p)	280.6
Shares (m)	219.0
Mkt Cap (£m)	1,028
Total assets (\$m)	2,267
Free Float*	90%
Market	AIM

*As defined by AIM Rule 26

Description

Burford Capital is a leading global finance and professional services firm focusing on law. Its businesses include litigation finance and risk management, asset recovery, and a wide range of legal finance and advisory activities.

Company information

CEO	Christopher Bogart
CIO	Jonathan Molot
CFO	Jim Kilman
Chairman	Sir Peter Middleton
	+1 (212) 235-6820
	www.burfordcapital.com

Key shareholders

Directors	8.8%
Invesco Perpetual	9.5%
Conifer Management	6.4%
Mithaq Capital	5.1%

Diary

Sep'20	Interim results
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Analyst

Brian Moretta	020 7194 7622
	bm@hardmanandco.com

BURFORD CAPITAL

Putting fears to rest

Burford has announced its results for 2019. As previously indicated, these were lower than in the previous year. Revenue fell 17% from \$430m in 2018 to \$357m. Profit after tax, on Burford's basis, declined 31% from \$329m to \$226m. As announced earlier, there will be no final dividend so only the interim dividend of €4.17 was paid for FY19. Unusually, Burford has also released a trading update for early 2020 alongside its main figures. Court results and arbitral awards have been obtained that would generate some healthy profits. Most notable is \$200m in income (\$300m in cash receipts) regarding which further legal review is unlikely.

- ▶ **New presentation:** Burford has always tried to be open about how it works, but this report overhauls its presentation. Additional information on commitments, fair-value accounting and returns should reassure investors and finally put to rest the hazy allegations that have been made against it.
- ▶ **Balance sheet:** Cash generation from operations was \$518m, only slightly down from the \$526m generated in 2018. With the new SWF arrangement in place, balance sheet deployments were much reduced at \$465m, compared with \$670m in 2018. Year-end cash was down \$71m to \$206m.
- ▶ **Risks:** The investment portfolio is highly diversified, both by number of claims and type. However, it retains some very large investments, which means revenue could be volatile, particularly in the smaller divisions. The Petersen case shows that this volatility is not simply a negative.
- ▶ **Investment summary:** Burford has already demonstrated an impressive ability to deliver good returns in a growing market while investing its capital base. As the invested capital continues to grow, we would expect that the litigation investment business will continue to produce strong earnings growth.

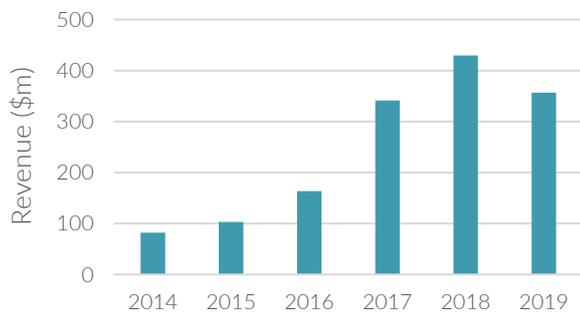
Financial summary and valuation

Year-end Dec (\$m)	2014	2015	2016	2017	2018	2019
Revenue	82.0	103.0	163.4	341.2	429.7	356.7
Operating profit	60.7	77.2	124.4	285.1	354.7	274.6
Reported net income	45.4	64.5	108.3	249.3	318.1	212.1
Underlying net income	53.0	64.5	114.2	264.8	329.0	226.3
Underlying RoE	12.1%	16.0%	22.1%	35.9%	30.2%	16.3%
Underlying EPS (\$)	0.26	0.32	0.55	1.27	1.50	1.03
Statutory EPS (\$)	0.22	0.32	0.53	1.20	1.51	0.97
DPS (\$)	0.07	0.08	0.09	0.11	0.13	0.04
Dividend yield	1.1%	1.2%	1.4%	1.7%	1.9%	0.6%
NAV per share (\$)	1.87	2.12	2.22	3.19	5.62	6.40
P/E (underlying, x)	25.4	20.9	12.0	5.2	4.4	6.4
Price/NAV (x)	3.5	3.1	3.0	2.1	1.2	1.0

Source: Hardman & Co Research

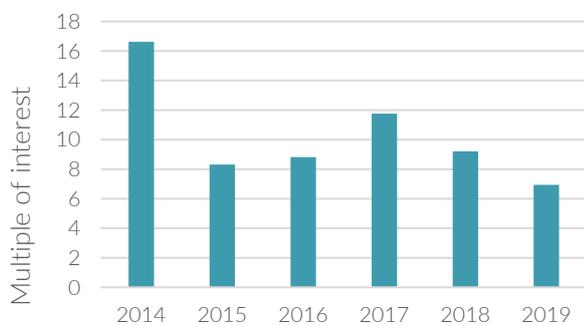
Burford Capital

Revenue



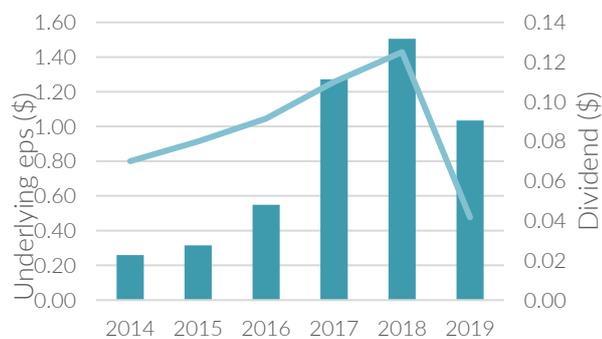
- ▶ Long-term growth has correlated strongly with the pace of investment and conclusions
- ▶ Accelerated investment from 2017 has boosted revenues
- ▶ 2017, 1H'18 and 1H'19 figures were boosted by sales from the Petersen case and the results of the Teinver claim
- ▶ New SWF arrangement will deliver a higher proportion of the returns on capital deployed, but has lowered Burford's capital deployment needs

Interest cover (x)



- ▶ Retail bond issues in 2014, 2016, 2017 and 2018
- ▶ Cash needs and debt issuance are dependent on the rate of investment and the proceeds from realisations
- ▶ Interest cover is very strong and Burford has ample capacity to issue further debt

EPS (bar) and DPS (line)



- ▶ 2017, 1H'18 and 1H'19 results were boosted by sales from the Petersen case and the results of the Teinver claim
- ▶ Growth in the pace of investment has driven returns
- ▶ Some large, single claims have brought volatility, although this has been to the upside as well as the downside
- ▶ No final dividend in 2019

Source: Company data, Hardman & Co Research

Results summary

A broad outline of Burford's results was given in the February trading statement and update in early April. As indicated in those statements, a quiet second half of 2019 led to a decline in profits compared with 2018. Nevertheless, the results are solid and clearly put to bed any concerns that COVID-19 delays had raised.

In this report, Burford has made substantial changes to its presentation. With BOF-C – the fund from which deployments by the SWF are made – becoming more substantial, the results now split out both it and the complex strategies fund (Strategic Value fund). As usual, our analysis focuses on the Burford only results, rather than the IFRS results, which consolidate both of those.

In addition to the new presentation, Burford has changed the segmental disclosure. The New Initiative segment, which for some time has consisted solely of asset recovery, has been discontinued. The latter has been split into two. The part that invested capital has been grouped with core litigation investment to form a new Capital Provision segment. Given asset recovery had been described as being like a “mini-Burford”, this is reasonable. The fee-for-services part of asset recovery has been added to a new segment called “Services and other corporate”. This includes insurance as well as the former Corporate segment. Although insurance has supplied substantial profits, it has been in run-off for several years. This year's revenue of \$3.5m is slightly more than 1% of the total and is likely to keep shrinking.

Capital provision is split into two categories. The direct subdivision is made up of investments from Burford's balance sheet, be they from the former core litigation investment, non-fund complex strategies or asset recovery businesses. The indirect subdivision is for Burford's balance sheet investments into its funds, which currently is the Strategic Value fund (complex strategies).

Burford has supplied 2018 and 2019 figures on this basis. The figures from earlier years remain relevant, but there will be occasions in this report where the earlier figures are not strictly on the same basis. Nevertheless, we will use them to demonstrate trends. As before, the non-IFRS figures are not supplied on a line-by-line basis, which can lead to some minor discrepancies between the numbers that we quote in different areas.

The headline figures showed declines in line with those indicated in the February trading statement. Revenue fell 17% from \$430m to \$357m. Profit after tax, on Burford's basis, declined 31% from \$329m to \$226m. As indicated earlier, there will be no final dividend so only the interim dividend of €4.17 was paid for FY19.

Results by division

Capital provision

The following table includes the 2018 and 2019 figures for this segment, together with those for core litigation investment in 2016 and 2017. The historical revenue figures for asset recovery are also given for reference, although these include the service revenue too.

Capital provision				
\$m	2016	2017	2018	2019
Net realised gain over cost			156.8	128.4
Previously recognised gains			-76.5	-79.3
Fair value adjustment			314.8	265.6
Income	140.2	318.2	392.5	316.8
Expenses	26.0	33.5	39.4	48.6
PBT	114.2	284.7	353.1	268.2
Tax	4.7	2.4	15.2	-10.8
PAT	118.9	287.1	368.3	257.4
Operating margin	81%	89%	90%	85%
Revenue (asset recovery)	8.85	2.97	9.53	

Source: Burford Capital, Hardman & Co Research

Assumption: the expense adjustment for the fund reconciliation is all in this division

After a record first half, where litigation finance revenue was \$265m, the second half was exceptionally quiet with revenues of ca.\$50m.

The majority of the gains came from the YPF (the Argentine national oil company) claims, especially Petersen. The total gain from the YPF claims was \$188m, of which \$20m was realised gains over the previous valuation and \$168m of fair-value movement. This leaves \$128m (40%) from other investments.

Investors will be aware of the sale in June 2019 of 10% of Burford's exposure to the Petersen claim for \$100m. This gave an implied value for the entire claim of \$1bn, with Burford retaining 61.25%. It also owns the entirety of the, smaller, claim from Eton Park.

While Burford is still constrained from discussing all the legal aspects of the case, other than what has been publicly announced, it has given much more information on the financial aspects. In particular, the size of the June 2019 transaction and breadth of participants has allowed Burford to value all the YPF assets based on that transaction. Their carrying value is now \$773m, of which \$39m is deployed cost and \$734m unrealised gain.

We have previously noted that, as well as fewer gains, there was a very low loss rate in the second half of 2019. This supports Burford's explanation of lower activity rather than any adverse development in the portfolio.

Expenses continued to show substantial growth at 23% year-on-year. Although this exceeded the growth in activity, some of it was due to 2018 bonuses being paid in the first quarter. With the reduction in revenue, the operating margin declined to 85% in this business. While a decline is disappointing, it is still superb and remains better than prior to 2017.

In the annual report, Burford makes a point that is still underappreciated. Several investors have observed that, if Petersen is excluded, then the aggregate profitability of Burford would be much less attractive¹. Burford notes that the profitability of Petersen has permitted Burford to grow its business quicker than it otherwise would. In an alternative universe where Burford did not invest in Petersen, its staffing and expenses would be much lower. Bonuses would be reduced too. Consequently, the true profitability ex-Petersen would have been higher than commentators estimate. Following this idea further, there would probably be fewer investments too with a corresponding effect on future returns.

¹ We note that some commentators use existing reserves and forget to add back dividends in their calculations. This does not affect their point, but does mean they understate the profitability ex-Petersen.

Investment management

Investment management			
\$m	2017	2018	2019
Income	15.63	15.80	26.13
Expenses	7.16	12.18	19.80
PBT	8.47	3.62	6.33
Tax	-3.01	-0.16	0.09
PAT	5.46	3.46	6.42

Source: Burford Capital, Hardman & Co Research

Income in this area grew 65%, driven primarily by expense reimbursements from BOF-C. Sadly, there was only \$0.6m in performance fees, the smallest amount since asset management started. The European performance fee structure means these are only payable once investors have received their capital back. While Burford cannot control the timing of outcomes, both Partners I and Partners II have been close to delivering for some time, so it is a slight disappointment that more have not materialised.

The increase in expenses is only slightly more than the \$7.1m fee re-imburement from BOF-C.

It was a quieter year for fundraising, with the new post-settlement fund (Burford Alternative Income Fund) raising nearly \$300m. This is smaller than the commitments for its predecessor. In total, Burford now has \$2.97bn of commitments, although \$1.21bn of those are for funds that are being realised and are not earning management fees. The total also includes \$667m for BOF-C, which has an expense reimbursement agreement.

Burford gives an AUM of \$2.9m, which represents the fair value of the investments plus any commitments. The portion capable of earning management fees is much lower at ca.\$1.1bn, hence the \$18.4m of management fees; albeit this is 31% more than in 2018.

Complex strategies investment was less active than in previous years, with the fund now being fully deployed and new investments coming from recycled capital.

Services and other corporate

The 2018 and 2019 figures for this segment are shown in full, although, due to the adjustments, not for earlier years. The prior year revenue figures for insurance income are given. The remaining figures for 2016 and 2017 are from the previous corporate segment.

Insurance				
\$m	2016	2017	2018	2019
Insurance income	12.92	7.61	10.41	3.55
Services income			1.65	2.13
Other income	-5.15	0.45	-0.01	8.12
Expenses	5.98	7.30	15.61	9.03
Amortisation	-5.95	-3.84	-1.47	2.05
Finance costs	-14.11	-24.25	-38.54	-39.62
PBT			-63.65	-50.02
Tax			-2.57	-2.68
PAT			-66.21	-52.70

Source: Burford Capital, Hardman & Co Research

The 2018 revenue figures for insurance were a positive surprise for a business that has been running off. The prior trend was restored in 2019. We noted previously that costs had also been scaled down accordingly. Services income from asset recovery showed healthy growth. Cash management revenues jumped, primarily

due to an adverse fair-value movement that occurred in 2018, while forex movements provided a positive contribution too.

In addition to the expenses above, Burford incurred another \$4.66m. Of these, \$1.75m related to equity and listing expenses. There will be further costs associated with the US listing. There were also \$2.90m of case-related legal fees.

With no further debt listing in 2019, movements in finance costs were entirely due to exchange-rate movements.

Investments

Returns

Burford has supplied further information on its returns, which are summarised in the following table.

Cumulative returns					
	2015	2016	2017	2018	2019
RoIC – core litigation finance	70%	60%	75%	85%	93%
IRR – core litigation finance	28%	27%	31%	30%	31%
RoIC – capital provision-direct	70%	61%	75%	80%	88%
IRR – capital provision-direct	28%	28%	31%	30%	31%

Source: Burford Capital, Hardman & Co Research

The difference between the two categories is the latter includes principal investments from complex strategies outside the Strategic Value fund and asset recovery investments. The asset recovery figures are small relative to the totals. Burford has previously noted that complex strategies investments are typically shorter duration, with attractive IRRs but accordingly lower RoIC. This explains why the RoIC for the broader grouping is lower, but the IRR is almost the same.

Both RoIC and IRR saw a small boost in 2019. With \$98m of the \$100m received from the Petersen sale being profit, this likely played a large part in that increase.

Cumulative capital provision-direct recoveries on the balance sheet are now up to \$1.26bn, with \$588m of profits. Burford has added some additional disclosure on the composition of these returns on pages 38 and 39 of its report. Of most interest may be the split between the different ways results are achieved:

- ▶ Adjudication – gains: 21% of deployments have gone to adjudication and have won. These take a median of 3.4 years, and have generated a 48% IRR and 297% RoIC.
- ▶ Adjudication – losses: 11% of deployments have lost in adjudication. There have still been some small recoveries, but these have generated a -84% RoIC with no IRR given (it is probably mathematically not defined here).
- ▶ Settlement: 68% of deployments settle in a median of 1.5 years. These have generated an IRR of 41% and 52% RoIC.

Sales are included in adjudications, which means Petersen has a strong influence on the first category. We can't calculate the IRR, but ex-Petersen the RoIC is still 145%. Crudely, if cases go to adjudication, then almost twice as many have gone in Burford's favour than against it, a figure that many fund managers would envy. The RoIC is almost 3x relative to settlements, albeit it takes more than twice as long to get that. While delays in cases are frustrating, if it leads to more adjudications then Burford's track record suggests it may be more favourable for shareholders in the long run.

Burford has introduced a second way of calculating the duration of investments. To date, it has weighted duration by deployments, but has now added a figure weighted by recoveries. In 2019, average duration weighted by recoveries was 2.3 years compared with 1.7 years when weighted by deployments. The former is an increase from 2.1 years in 2018, while the latter is flat.

Neither calculation is perfect. The realisation-weighted figure gives no weight to those that give no return. However, shareholders may argue that these are of less interest anyway. Nevertheless, the long-standing Burford guidance of a two-year average remains. We note, however, that Petersen is now a 5-year old case and would have a large effect on the recovery-weighted measure in the event of a positive resolution.

New investments

The following table again provides 2016 and 2017 figures from litigation investments for context and 2018 and 2019 figures for the new capital provision segment.

Capital provision investments				
\$m	2016	2017	2018	2019
Additions	271.6	414.9	387.2	388.8
Invested capital	394.3	631.4	825.9	877.3
Direct asset FV	559.7	982.2	1,289.5	1,649.4
FV/IC	142%	156%	156%	188%
Indirect asset FV			232.0	184.6
Balance sheet total FV			1,521.6	1,833.9
Balance sheet commitments	296.4	503.4	614.8	828.6

Source: Burford Capital, Hardman & Co Research

As described in the February trading statement, new investments showed complex patterns. Group-wide commitments grew 19% to \$1.57bn, while deployments decreased 5% to \$1.07bn. The difference was influenced by the Strategic Value fund (complex strategies). This usually deploys shortly after committing, but is now running at capacity. This means it can only make new commitments when capital is being recycled.

The on-balance sheet figures for commitments declined 5% to \$726m and deployments fell 31% to \$465m. There are two factors explaining this difference. One is the Strategic Value fund mentioned above, but more significant is the SWF arrangement. Under this arrangement, Burford will deploy a lower proportion of capital in new investments than previously (a net of 42%), but will get a higher proportion of the return than before (60% of the total, including 5% from performance fees).

Part of this arrangement was the Burford Opportunities Fund, BOF, which is now almost fully committed. Burford has not started fundraising to replace that and has agreed that, between BOF becoming full and a new fund being raised, BOF-C will take a 50% allocation of any new investments. The balance-sheet proportion will also rise to 50%, but Burford will get 70% of any profits.

The net effect is that invested capital for the direct capital provision grew more slowly. The different structure of returns on new investments means that, had the old structure been in place, this would have been equivalent to a growth rate more in line with historical trends.

On a technical note, Burford now includes the cashflows for hedges and margin calls for investments in the Strategic Value fund. It has provided adjusted historical figures, and we have referred to these above for comparison. In 2019, these were almost a wash, being \$92m in commitments/deployments (\$54m on balance sheet)

and \$97m (\$56m) in realisations/proceeds. These account for \$39m of the growth in group-wide commitments referred to above.

In 2019, Burford closed 99 investments from 1,414 enquiries, an approval rate of 7.0%. This is up from 5.9% in 2018 from 1,470 enquiries. This low approval can be interpreted as Burford being very fussy about its investments, and is comparable with venture capital approval rates. However, Burford has also noted it could imply that there are many low-quality enquiries. Burford has built an in-house origination team to improve the quality of enquiries and this may be the first tangible sign that it is being successful.

Fair value

Additional information has been supplied on the fair-value calculations that Burford has been using. The latest table is given below:

Summary of fair-value components at 31/12/19			
\$m	Deployed cost	Unrealised gain	Carrying value
Capital provision-direct			
- YPF-related assets	39	734	773
- Other assets	838	38	876
- Total	877	772	1649
Capital provision-indirect	181	4	185
Total capital provision assets	1,058	776	1,834

Source: Burford Capital, Hardman & Co Research

With full disclosure of the Petersen and Eton Park valuations, this allows disclosure of the aggregate fair-value marks on the rest of the portfolio. These are currently \$38m, or 4.5% of the deployments.

Over its history, Burford has only taken a total of \$134m of annual fair value adjustments, excluding YPF-related assets. The highest this amount has been is \$68m, which was most likely when Teinver had been adjudicated on but had not yet concluded. On pages 60 to 62 of the annual report, Burford supplies additional information on fair value, some of which is similar to earlier disclosures.

It is clear that the fair value uplifts ex Petersen are relatively small and should finally put to rest the concerns some observers had about aggressive accounting. We note that Petersen is a single-case investment. While Burford strongly believes the legal case is strong, there is no guarantee of a positive outcome and a loss could mean no further recovery other than the sales already realised.

Added information on investments

As usual, Burford supplies a broad range of information in its annual report, which repays a thorough reading. Some of this information is different from before and would take too long to summarise. Nevertheless, there are a few points worth highlighting:

- ▶ Across the group, portfolio investments are 68% of the total. We note that single-claim investments continue to be written and some, such as the two outstanding cases from 2010, have the potential to deliver significant returns if successful.
- ▶ Burford's geographical analysis shows the global spread of its business. Nevertheless, US\$ remains the currency of choice at around three-quarters of commitments.
- ▶ An analysis by case type and industry has been added. For the former, mixed portfolios are almost 30% and the largest single category is antitrust at around

half that. By sector, mixed exposure is again the largest with no individual sector above 10%. Both demonstrate the diversification of the portfolio.

- Further information on the Petersen claim is given. While little can be given on the legal structure, a more detailed analysis of possible financial outcomes is provided.

Burford has also continued the new detailed disclosure on its individual investments and will update on a half-yearly basis.

Balance sheet

The following table uses the litigation investment assets for 2016 and 2017.

Summary balance sheet				
\$m	2016	2017	2018	2019
Capital provision	559.7	982.2	1500.9	1834.0
Cash investments & equivalents	169.5	131.4	277.4	206.4
Due from litigation investments	40.1	4.8	37.1	19.0
Goodwill & intangible asset	173.3	161.7	152.2	142.7
Total assets	968.2	1318.0	2056.3	2267.0
Debt	274.0	486.9	638.7	655.9
Equity	596.2	798.6	1363.2	1533.0
Net gearing	18%	45%	27%	29%
Gross gearing	46%	61%	47%	43%
Net debt/tangible assets	13%	31%	19%	21%

Source: Burford Capital, Hardman & Co Research

We also note that, as expected, receivables declined sharply from the half-year figures. They also declined year-on-year.

Slide 15 of the results presentation gives the waterfall for sources and application of cash, with the figures given in the table below.

Principal sources and applications of cash in 2019			
Source	Amount (\$m)	Applications	Amount (\$m)
Cash at start of year	277	Operating expenses	82
Cash generated from operations	518	Finance costs and dividends	67
		Investment deployments	465
		Net change in receivables/payables	25
		Cash at year-end	206

Source: Burford Capital, Hardman & Co Research

Over the year, the aggregate of cash and equivalents decreased from \$277m to \$206m. Although the second half was slow, the cash generated was \$5m more than in 2018. Deployments were much reduced for the reasons described earlier, leaving Burford with a healthy cash position. This is particularly true given there will be no final dividend and the current trading that was given in the RNS.

Additional disclosure was supplied on Burford's commitments. The balance sheet total was \$829m at the year-end. Of these, \$288m are obligations that are contracted, subject to certain events taking place. The balance is discretionary, comprising arrangements with clients to fund future claims; however, these may be subject to further underwriting.

Over the past three years, the annual drawdown of commitments has been between 15% and 30% of the total. While the legal industry is trying to keep activity going, there has been an inevitable slowdown. Given the definitive drawdowns are based on milestones in the progress of a claim, this slowdown will have an effect on them.

Burford remains open to raising further capital through a bond issue. The strategy has always been an opportunistic one and there is currently no sign of when such

an opportunity will be available again. Burford observes that demand for litigation tends to grow when there are economic problems, while corporate balance sheets will be weaker. This suggests there will no shortage of investment opportunities going forward.

Current trading

Unusually, Burford has added a trading update to the results announcement, giving significant additional progress since the 3 February announcement.

Interestingly, these arise from court results or arbitral awards rather than settlements, implying that some of them may be subject to appeal or further review. In raw terms, if paid in full, this would amount to more than \$500m in income across the group and approximately \$300m in balance sheet income on cash receipts of almost \$800m group-wide and over \$450m on balance sheet.

Of the balance sheet totals, more than \$200m in income (more than \$300m in cash receipts) are unlikely to be subject to further legal review. Given this is less than four months through the half, this is a very positive development. For comparison, the FY19 income figure was £317m.

This further validates Burford's assertion that the second half of 2019 was just a slow one. We note, however, the comments about the legal system slowing down somewhat and the usual uncertainties about the timing of resolutions means no read across from this can be taken for the remainder of the year.

Plc matters

In the April update, CEO Chris Bogart and CIO Jonathan Molot committed to using their bonuses to purchase shares in Burford. They have done so.

The annual report also reaffirmed the board changes that will take place over the next few years. By 2023, the majority of the board, by the UK Corporate Governance Code, will be independent again. The board is independent according to the code of Burford's domicile, Guernsey.

COVID-19 has also had an effect on the timetable for Burford's US listing. Audited accounts were required, and these have taken a month longer to produce than was originally planned. Burford is proceeding, but the timetable has already been delayed and may be subject to further delays. The intention is to publish the 2020 interim results in September. If the listing delays go past the end of June, then there may be a further delay until the interim results are published.

Legal case

Since the results, Burford has announced that the High Court denied its application to obtain trading data from London Stock Exchange (LSE) around the short attack in August 2019. Although some of the grounds for denial do not appear to be very strong, Burford is unable to pursue the matter further. It may be that the financial consequences may have been more meaningful for the LSE than Burford; nevertheless, this matter appears to be closed.

Financials

Summary financials						
Year-end Dec (\$m)	2014	2015	2016	2017	2018	2019
Revenue	82.0	103.0	163.4	341.2	429.7	356.7
Expenses	21.3	25.8	39.0	52.3	73.6	77.4
Operating profit	60.7	77.2	124.4	285.1	354.7	274.6
Finance cost	3.7	9.3	14.1	24.3	38.5	39.6
Exceptional items	-9.7	0.0	-5.9	-3.8	0.0	0.0
Reported pre-tax profit	47.3	67.9	104.1	249.2	306.6	225.5
Reported taxation	-0.7	-2.2	4.8	0.1	11.4	-13.4
Minorities	1.2	1.2	0.6	0.0	0.0	0.0
Underlying net income	53.0	64.5	114.2	264.8	329.0	226.3
Statutory net income	45.4	64.5	108.3	249.3	318.1	212.1
Underlying basic EPS (\$)	0.26	0.32	0.55	1.27	1.50	1.03
Statutory basic EPS (\$)	0.22	0.32	0.53	1.20	1.51	0.97
DPS (\$)	0.07	0.08	0.09	0.11	0.13	0.04
Balance sheet (@31 Dec)						
Total equity	382.7	433.1	462.2	664.5	1,229.2	1,399.0
Invested capital	207.5	252.9	394.3	631.4	853.1	899.8
Fair value balance	266.8	334.2	559.7	982.2	1,512.9	1,825.3
Total assets	533.2	608.7	968.2	1,318.0	2,128.0	2,083.7
NAV per share (\$)	1.87	2.12	2.22	3.19	5.62	6.40
Underlying RoE	12.1%	16.0%	22.1%	35.9%	30.2%	16.3%

Source: Hardman & Co Research
£1=\$1.25

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research@hardmanandco.com

35 New Broad Street
London
EC2M 1NH

+44(0)20 7194 7622

www.hardmanandco.com