

Juridica Investments Limited
(“JIL” or the “Company”)

Interim results for the six months ended 30 June 2009

Juridica Investments Limited, a leading provider of capital to the law market, today announces its interim results for the six months ended 30 June 2009.

Financial highlights

- At the period end the Company had invested or committed \$95.8 million across 12 investments giving exposure to 18 cases. As at 27 September 2009, the Company had invested or committed \$115.4 million, representing 59% of the net asset value of the Company
- Income of \$4.5 million, (2008: \$7.3 million) reflecting the variable timing of results from portfolio investments and general decline in interest rates
- Realised gains for the period include a realised gain of \$1.2 million on Case 0908-U, yielding an internal rate of return of 61% on the initial investment of \$3.1 million
- Net asset value as at 30 June of \$196.7 million (2008: \$152.3 million)

Operational highlights

- Substantial development of the business as awareness of the Company has increased in its target markets. A total of 340 investment opportunities have been considered of which 23 have been selected
- The first large case in the portfolio, Case 1208-A, has started trial before a jury
- Secondary fund raising completed in April 2009 enabled the addition of a third price-fixing cartel case to the portfolio which will total up to \$26 million of investment
- The patent portfolio nears completion with the funding of three new patent infringement claims, bringing the total to 10

Commenting on the results, Lord Daniel Brennan QC, Chairman of the Company, said:

“JIL continues to develop and we have made pleasing progress so far this year. The current economic climate has created increased demand for our services and JIL’s approach is gaining significant traction in the business and legal communities.”

“We are encouraged by the interest of the RAND Institute for Civil Justice’s investigation of our market which we anticipate will further increase awareness of the benefits and opportunities created by the availability of external capital to the law markets.”

Richard W Fields, Chairman and Chief Executive Officer of Juridica Capital Management, the Company’s investment manager, said:

“The portfolio is now beginning to mature as cases approach trial dates and other milestones that create opportunities for settlement. Our pipeline remains very strong and the number of high quality opportunities continues to exceed our available resources, meaning that we endeavour to select only the very best opportunities for the Company.”

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Notes to Editors

About Juridica Investments Limited

Juridica Investments Limited is a leading provider of capital to the business community and the legal market. It invests directly and indirectly in a diversified portfolio of commercial claims and disputes. JIL's objective is to be the premier source of value-added and direct financing for large business claims, especially in the United States and the United Kingdom.

Our clients are Fortune 500 companies, FT Global 500 companies, small businesses, inventors, major universities and the leading law firms that represent them. JIL accepts only cases that have already been carefully vetted and accepted by qualified lawyers, does not invest in speculative cases and accepts only a small fraction of the cases reviewed.

The Company focuses exclusively on business-to-business related claim investments. It does not invest in shareholder class actions, personal injury, product liability, or mass tort claims.

JIL was established on 21 December 2007 as a limited liability, closed-ended investment company registered in Guernsey. It has over US\$200 million of assets under management and is listed on AIM, a market operated by the London Stock Exchange (AIM: JIL).

The Company has appointed Juridica Capital Management Limited as its exclusive investment manager to locate, select and manage direct and indirect investments in cases, claims and disputes.

For more information visit Juridica Investments Limited at <http://www.juridicainvestments.com/> and Juridica Capital Management Limited at <http://www.juridica.co.uk/>

The attached is an extract from the Company's interim condensed consolidated financial statements for the six months ended 30 June 2009.

Juridica Investments Limited (“JIL” or the “Company”)
Interim Results
27 September 2009

I. Chairman’s Statement

The board of Juridica Investments Limited (“JIL” or the “Company”) is pleased to announce its group’s interim financial statements for the period ended 30 June 2009. The first half of this year was productive. The Company raised \$48.8 million net of expenses from new and existing investors during the first quarter, and made two new investments. It also received income from two of its investments in the second quarter. Since the period end, a number of the transactions that Juridica Capital Management Limited (“JCML” or the “Manager”), the Company’s investment manager, was working on came to fruition including a new loan of \$17 million to Fields Scrantom Sullivan PLLC (“FSS”) to finance a major price-fixing cartel case for several US Fortune 500 companies, as well as two new investments involving patents. The Company’s portfolio is now beginning to mature. As the Manager has detailed below, trial dates for a number of the Company’s investments are approaching and evidence of settlements on existing assets is beginning to validate the investment approach and valuations. Currently Case 1208-A is in trial before a jury on certain, but not all, issues.

Furthermore, this investment class is now entering the main stream of commerce in the United States legal market. A significant conference was conducted at the RAND Corporation, a leading think-tank in the US, during June 2009 at which I was a keynote speaker. This has led to a formal program that is being undertaken by RAND to examine the practice and implications of the convergence of law, finance, and capital markets in the US.

Results

During the period the Company reported total income of \$4.5 million (2008: \$7.3 million). This is split between realised gains of \$1.4 million (2008: \$3.5 million), unrealised gains of \$2.8 million (2008: \$0.7 million) and interest income of \$0.3 million (2008: \$3.1 million). Realised gains for the period include a gross return of \$4.3 million on Case 0908-U, yielding an internal rate of return of 61% on the initial investment of \$3.1 million as well as an initial return of \$250,000 on an early settlement from Case 0708-B. Of this latter amount, \$187,500 has been treated as a realised gain and the balance has been deemed to reduce JIL’s capital invested. Case 0708-B alleges infringement by over 20 defendants and this first settlement is in line with the Manager’s expectations of returns for the investment. One case (0608-S) has had a change in circumstances and, as a prudent measure, any interest accrued on this investment has been written off and no new interest has been accrued over the period pending further developments in the case. The Manager is keeping the case under review and further announcements will be made as appropriate.

Interest income on the Company’s existing cash balances has declined significantly, when compared to the previous comparable period, in line with central bank interest rate cuts. As at 30 June 2009, the Company had cash or equivalents of \$103.9 million (2008: \$82.5 million). Of this, \$100.5 million was held in dollar-based accounts and the balance in Sterling.

Unrealised gains are as accrued from the implied/effective interest rate on investments, as calculated by the Manager. The significant increase in unrealised gains, as compared to the previous period, is due to the increase in investment over the period. As at 30 June 2009, the Company had invested or committed \$95.8 million across 12 investments giving exposure to 18 cases. Two investments involving patents anticipate licensing, without immediate litigation enforcement. The average investment size was \$4.8 million per case/opportunity.

The net asset value of the Company as at 30 June 2009 was \$196.7 million (2008: \$152.3 million) or 178c per share (2008: 190c per share). The increase in net asset value of the Company is in large part due to the fundraising completed during April 2009, and the decline in net asset value per share is, in large part, due to the increased number of shares outstanding as a result of the fundraising.

Investments since 30 June 2009

As at 27 September 2009, the Company had invested or committed \$115.4 million, representing 59% of the net asset value of the Company. Three new investments have been made since the end of the 2nd quarter, including a new loan to FSS in the amount of \$17.0 million that will be used to fund certain legal fees and related costs associated with a new antitrust price-fixing case that involves prior guilty pleas by the defendants and their former executives. In addition, investments were made in two new patent cases in the total amount of \$2.6 million.

Outlook

The Company has developed significantly in the period since we last reported on its performance in April 2009. The portfolio is now beginning to mature as cases approach trial dates and other milestones that create opportunities for settlement. The Manager has reported that its pipeline remains strong and pricing remains consistent with its experience to date. Significantly, as evidenced by the interest of the RAND Institute for Civil Justice’s investigation of our market, there is increased awareness of the benefits and opportunity created by the availability of external capital to the law markets.

Lord Daniel Brennan QC
27 September 2009

II. Investment Manager's Statement

Notwithstanding the turmoil in the global financial markets, the first half of this year saw substantial development of our business. Highlights for the period to 27 September 2009 included the following:

- We raised \$48.8 million (net of expenses) in the first quarter and almost doubled the size of our institutional shareholder base while doing so. This capital raise was of strategic importance for two reasons. First, it allowed us to continue to evaluate and fund an increasing number of new opportunities generated by media coverage for the business and increasing acceptance of the business model by major companies and their law firms. Without this fundraising, we likely would have reached full deployment at a time when interest in the business model was reaching an important new level. Second, the additional capital enabled us to fund a major new opportunity in the antitrust price-fixing arena that FSS had an option to participate in as a result of its initial funding of an antitrust portfolio in November 2008.
- A third investment reached completion and settled while generating a profit of \$1.2 million on an investment of \$3.1 million, an internal rate of return of 61%.
- We added a third price-fixing cartel case to our antitrust portfolio financed through a new \$17.0 million loan to FSS. This loan may, at JIL's discretion, be increased by a further \$9.0 million over the next three years. Given the size and nature of this case, the Manager fully expects that additional funds may be committed in the future, although the option structure of the funding arrangement takes into account the potential for early settlements. These may reduce or eliminate the need for additional funding from JIL as the case develops. The addition of this new investment to the antitrust portfolio is an important development for the business. Our antitrust portfolio now comprises 68% of the invested portfolio.
- We neared completion of the development of our patent portfolio with the funding of three new patent infringement claims. This brings to ten the number of investments in this category and gives us diversification across a wide range of subject matters, law firms, and jurisdictions for this category that comprises approximately 26% of the invested portfolio.
- Currently, our first large case in the portfolio, Case 1208-A, is in trial before a jury on certain, but not all, issues.

The business model is becoming firmly established in the US legal community and the market for our investment proposal remains strong. Since admission, the Manager has considered a total of 340 investment opportunities. Of these, we have selected a total of 23 of which 3 have reached finality while successfully generating profits for the Company. We expect this strong interest in third party financing of commercial cases to continue to increase as Fortune 500 and FT Global 500 companies become more aware of our offering. Indeed, the recession appears to have added fuel to what was an already strong interest in the business model as general counsels respond to pressure to spend less on commercial litigation and major law firms have less capital to put at risk for the alternative fee structures demanded by their clients.

We aim to be in a position where lawyers propose alternative funding sources for legal fees and/or expenses such as experts and electronic discovery to their clients as part of their fee negotiations, and there is increasing evidence of this in the US as well as the UK. In the US, the RAND Corporation's Institute for Civil Justice is now engaged in analysis of developments in our market and the potential economic and social effects of the convergence of law, finance and the capital markets.

Much of the first quarter was taken up with fundraising to fund the Company's pipeline of opportunities. As at the date of this document, \$115.4m was invested or committed to investments in claims. This includes 4 new investments in cases 7508-O, 7608-A, 2709-E and 8008-L. Three of these involve potential claims for infringement on patents and the fourth is a further loan to FSS that will be used to pay certain costs and expenses of a new antitrust case that follows criminal pleas. This new antitrust case also introduces an important new Top 100 US law firm to the portfolio as lead trial counsel for the case. We are pleased with the continued development of FSS's expanding relationship with its new partners.

We continue to expand the number of top 100 US law firms with whom we have relationships as both due diligence advisors and sources of investment opportunities. In addition, we are developing a number of relationships with new investors as a secondary market is beginning to develop as these investors seek opportunities in this space.

Portfolio

With the exception of Case 0608-S, the Company's investments have largely performed as expected. The table below outlines the portfolio's diversification.

a. Portfolio diversification as at 27 September 2009

<i>Type of claim or litigation</i>	<i>Cases</i>	<i>Total Commitment</i>	<i>Investments</i>
Antitrust (monopolisation)	2		
Antitrust (price-fixing)	3	\$79.0m	1
Statutory Claims	1		
Patents*	10	\$30.2m	10

<i>Type of claim or litigation</i>	<i>Cases</i>	<i>Total Commitment</i>	<i>Investments</i>
Property Damage & Insurance Subrogation	2	\$0.5m	1
Claims against sovereigns	1	\$3.5m	1
Shareholder disputes	1	\$2.2m	1
Total	20	\$115.4m	14

*Two of these patent investments anticipate licensing without immediate litigation.

These investments involve 10 law firms across 11 jurisdictions.

Case 1208-A is now in trial, while cash received from Case 0908-U confirms for a third time that the underwriting process is effective and the receipt of a first settlement from Case 0708-B validates the multi-defendant strategy implemented in that case. In addition, a defendant with small market share in Case 5208-E has settled with the plaintiff group. This latter case is an antitrust price-fixing case that forms collateral against the loan made to FSS. Although cash has not yet been received by FSS, it is imminent but will not be substantial. However, it serves to confirm that there is a perception of liability amongst members of the alleged price-fixing cartel in this particular case. There has been a change in circumstance in Case 0608-S (a claim against a sovereign) that we are currently considering and, as a prudent measure, any interest accrued on this investment has been written off and no new interest has been accrued over the period pending further developments in the case. We are keeping the case under review and will keep investors informed as appropriate as to any major developments and the result of any consequent revaluation.

The updated table below sets out significant events that are expected to occur in the Company's portfolio. Significant dispositive events such as trials or other hearings that serve to define either liability or damages are generally anticipated to drive settlement discussions and timings, particularly in single-defendant cases. In multi-defendant cases, settlements through the course of the litigation process are expected.

b. Key Schedule Dates in Invested Cases

<i>Period</i>	<i>Investment</i>	<i>Event</i>
Recently Filed	5208-E	No scheduling order yet
	8008-L	No scheduling order yet
	7608-A	No scheduling order yet
	0209-S	No scheduling order yet
Q4 2009	0608-S	Merits hearing
	1208-A	Jury trial
Q1 2010	0408-W	Trial
	0808-C(1)	Trial
	1008-A	Trial (expected to be delayed)
	5608-N	Hearing on dispositive motions
Q4 2010	0708-B	Claim construction
Q1 2011	0708-B	Trial
	5308-U	Hearing on dispositive motions
	0808-C(2)	Trial
Q3 2011	5308-U	Trial
Q4 2011	0108-S	Trial

In addition to the events described above, cases 0708-B, 8008-L, 5308-U, 7608-A and 5208-E are multi-defendant cases, which are expected to have a ladder settlement profile.

Outlook

We expect to have a very interesting next two to three quarters as we approach more significant events in the portfolio, including both trial dates and substantive rulings that have the potential to change the shape of the risk for the parties and thereby generate settlement opportunities. Our pipeline remains strong and we continue to have many more good opportunities to fund than we have resources so we will continue to endeavor to select only the very best opportunities for the Company.

Richard W Fields

Chairman and Chief Executive Officer

Juridica Capital Management Limited

Guernsey, 27 September 2009

Independent review report to the Directors of Juridica Investments Limited

Introduction

We have been engaged by the directors of the Company to review the Group's condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2009, which comprises the unaudited condensed consolidated statement of comprehensive income, the unaudited condensed consolidated statement of financial position, the unaudited condensed consolidated statement of changes in equity, the unaudited condensed consolidated cash flow statement and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors of the Company. The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules for Companies which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the Group's annual financial statements.

As disclosed in Note 2, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards ("IFRS"). The condensed set of financial statements included in this half-yearly financial report have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of the AIM Rules for Companies and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The maintenance and integrity of the Juridica Investments Limited website is the responsibility of the directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the unaudited condensed consolidated financial statements since they were initially presented on the website.

Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of half yearly Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 and the AIM Rules for Companies.

PricewaterhouseCoopers CI LLP

Chartered Accountants
Channel Islands
Guernsey

Date: 27 September 2009

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

	Notes	For the period from 1 January 2009 to 30 June 2009	For the period from 28 November 2007 to 30 June 2008
		US\$	US\$
INCOME			
Interest income	2(h)	308,834	3,096,331
Realised gain on investments		1,437,260	3,490,487
Realised loss on investments		(54,704)	-
Other income	2(h)	2,842,338	714,455
Total income		<u>4,533,728</u>	<u>7,301,273</u>
EXPENSES			
Administration fees		134,074	131,562
Advisory fees		32,801	56,379
Audit fees		85,124	35,966
Bank charges		3,435	6,317
Directors remuneration	10(g)	153,465	229,216
Due diligence costs	2(f)	759,884	124,415
Foreign exchange loss		463,263	1,839,182
Legal expenses		25,967	7,081
Licence fees		-	4,696
Management fees	10(a)	2,137,812	1,921,533
Marketing expenses		23,528	41,082
Options and warrants costs	2(p)	13,913	386,044
Registrars fees		8,798	8,477
Sundry expenses		139,147	98,538
Total operating expenses		<u>3,981,211</u>	<u>4,890,488</u>
Profit for the period		<u>552,517</u>	<u>2,410,785</u>
Earnings per Ordinary Share			
Basic	Cents	0.58	3.01
Fully diluted	Cents	0.58	2.97

The notes following form an integral part of these condensed unaudited consolidated financial statements.
The independent review report is above.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2009

	Notes	30 June 2009	31 December 2008
		US\$	US\$
Non-current assets			
Available for sale financial assets	5	25,808,424	16,518,357
Loan and receivables	6	66,866,430	53,433,408
		<u>92,674,854</u>	<u>69,951,765</u>
Current assets			
Other receivables and prepayments	7	271,873	273,785
Cash and cash equivalents	8	103,886,999	82,511,937
		<u>104,158,872</u>	<u>82,785,722</u>
Total assets		<u>196,833,726</u>	<u>152,737,487</u>
Current liabilities			
Other payables	9	139,211	383,972
Total liabilities		<u>139,211</u>	<u>383,972</u>
Net assets		<u>196,694,515</u>	<u>152,353,515</u>
Capital and reserves			
Special reserve		199,013,730	150,169,960
Other reserve		(247,298)	(261,211)
Revenue reserve		(2,071,917)	2,444,766
Total equity Shareholders' funds		<u>196,694,515</u>	<u>152,353,515</u>
Number of ordinary shares		110,701,754	80,000,000
Net Asset value per ordinary share		\$1.7768	\$1.9044

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

	30 June 2009				
	<u>Share premium</u>	<u>Special reserve</u>	<u>Other reserve</u>	<u>Revenue reserve</u>	<u>Total</u>
	US\$	US\$	US\$	US\$	US\$
Net assets at 1 January 2009	-	150,169,960	(261,211)	2,444,766	152,353,515
Issue of shares	-	51,693,614	-	-	51,693,614
New issue expenses	-	(2,849,844)	-	-	(2,849,844)
Share option payment reserve	-	-	13,913	-	13,913
Profit for the period	-	-	-	552,517	552,517
Dividend paid	-	-	-	(5,069,200)	(5,069,200)
Net assets at 30 June 2009	-	199,013,730	(247,298)	(2,071,917)	196,694,515

	30 June 2008				
	<u>Share premium</u>	<u>Special reserve</u>	<u>Other reserve</u>	<u>Revenue Reserve</u>	<u>Total</u>
	US\$	US\$	US\$	US\$	US\$
Net assets at 28 November 2007	-	-	-	-	-
Issue of shares	158,488,000	-	-	-	158,488,000
Formation expenses	(8,318,040)	-	-	-	(8,318,040)
Cancellation of share premium	(150,169,960)	150,169,960	-	-	-
Share option payment reserve	-	-	139,138	-	139,138
Warrant payment reserve	-	-	246,906	-	246,906
Fair value change in available for sale financial assets	-	-	(535,953)	-	(535,953)
Profit for the period	-	-	-	2,410,785	2,410,785
Net assets at 30 June 2008	-	150,169,960	(149,909)	2,410,785	152,430,836

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

	For the period from 1 January 2009 to 30 June 2009	For the period from 28 November 2007 to 30 June 2008
	US\$	US\$
<i>Cash flows from operating activities</i>		
Profit for the period	552,517	2,410,785
Adjusted for:		
Fair value change on financial assets and loans and receivables	(2,904,210)	(714,455)
(Decrease)/increase in share option and warrant reserve	13,913	386,044
Realised gains on disposal of investments	(1,405,821)	(3,490,487)
Foreign exchange losses/(gains) on non-operating activities	463,078	-
Changes in working capital		
Decrease/(increase) in trade and other receivables	1,912	(3,834,810)
(Decrease)/increase in trade and other payables	(244,761)	164,667
Purchases of financial assets and loans and receivables	(23,000,750)	(22,424,516)
Settlement of financial assets	4,587,692	8,500,000
<i>Net cash outflow from operating activities</i>	(21,936,430)	(19,002,772)
<i>Financing activities</i>		
Dividend paid	(5,335,349)	-
Issue of shares	49,059,970	158,488,000
Formation costs	(234,060)	(8,318,040)
<i>Net cash flow from financing activities</i>	43,490,561	150,169,960
<i>Net increase in cash and cash equivalents</i>	21,554,131	131,167,188
Net increase in cash and cash equivalents	21,554,131	131,167,188
Cash and cash equivalent at the beginning of the period	82,511,937	-
Foreign exchange (losses)/gains on cash	(179,069)	-
Cash and cash equivalent at the end of the period	103,886,999	131,167,188

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2009 TO 30 JUNE 2009

1. LEGAL FORM AND PRINCIPAL ACTIVITY

The Group consists of the Company which is a closed-ended investment company incorporated under The Companies (Guernsey) Law, 2008 ("the Law") and its wholly owned subsidiaries Riverbend Investments Limited, Somerton Investments LLC and Juridica Ventures KFT and its wholly owned subsidiary. The Law does not make a distinction between private and public companies. Shares in the Company were admitted to trading on AIM, a market operated by the London Stock Exchange, on 21 December 2007. The address of the Company's registered office is Bordeaux Court, Les Echelons, St Peter Port, Guernsey, GY1 6AW. The condensed consolidated interim financial statements have been reviewed, not audited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below.

Basis of Preparation

These half yearly condensed consolidated financial statements for the six months ended 30 June 2009 have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34"). The condensed consolidated financial statements should be read in conjunction with the annual Financial Statements for the year ended 31 December 2008 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and applicable legal and regulatory requirements of Guernsey Law.

(a) Accounting policies

The preparation of financial statements in conformity with IAS 34 requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2008, as described in those annual financial statements.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009

- IAS 1 (revised), 'Presentation of financial statements'. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

The group has elected to present one statement, a statement of comprehensive income. The interim financial statements have been prepared under the revised disclosure requirements.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not currently relevant for the group.

- IFRS 8 'Operating segments'
- IFRS 2 (amendment), 'Share-based payment'
- IAS 32 (amendment), 'Financial instruments: Presentation'.

- IFRIC 13, 'Customer loyalty programmes'
- IFRIC 15, 'Agreements for the construction of real estate'
- IFRIC 16, 'Hedges of a net investment in a foreign operation'
- IAS 39 (amendment), 'Financial instruments: Recognition and measurement'
- IAS 23 (amendment), 'Borrowing costs'

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 January 2009 and have not been early adopted:

- IFRS 3 (revised), 'Business combinations' and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, 'Investments in associates' and IAS 31, 'Interests in joint ventures' effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.
- IFRIC 17, 'Distributions of non-cash assets to owners', effective for annual periods beginning on or after 1 July 2009.
- IFRIC 18, 'Transfers of assets from customers', effective for transfer of assets received on or after 1 July 2009.

(b) Consolidation

The half yearly condensed consolidated financial statements comprise the financial statements of Juridica Investments Limited and its wholly owned subsidiary undertakings as stated in Note 4.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

Inter-company transactions, balances and unrealised gains/losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Geographical and segment reporting

Since the Group is engaged in the provision of similar products and services within a particular economic environment, being subject to similar risks and returns, the management considers that the Group has only one business segment and geographical focus, being investments in legal claims in the United States (US), and accordingly does not present additional business and geographical segment information.

(d) Financial instruments

Classification

Unless otherwise determined by the Company, investments in claims will be categorised as available for sale financial instruments. The investments in claims will initially be measured as the cash sum provided to acquire an interest in a plaintiff's claim or as the cash advanced to law firms under loan agreements ("Qualifying Agreements"). Attributable due diligence costs are capitalised into the cost of the investment.

Recognition, derecognition and measurement

Regular purchase and sale of available for sale financial instruments are recognised on the trade date, being the date on which the Group commits to purchase or sell the asset. The investments in claims will initially be measured as the sum provided to acquire an interest in a plaintiff's claim or as the cash advanced to law firms under loan agreements ("Qualifying Agreements").

Interest on performing investments in claims will be recognised using the effective interest rate method as explained in Note 5. No interest will be recognised on non-performing investments in claims.

Subsequent measurement of investments in claims will be at fair value utilising a fair value model developed by the Investment Manager. The principal assumptions to be used in the fair value model are as follows:

- Duration of each investment in a claim;
- Best estimate of anticipated outcome; and
- Effective interest rate on nominal value of each investment in a claim.

Movements in fair value arising from changes in assumptions related to each legal claim will be taken to the unaudited condensed consolidated statement of comprehensive income. Movement in market based assumptions, due to market, credit and interest risk, will be taken directly to equity and only recognised in the unaudited condensed consolidated statement of comprehensive Income on finalisation of the claim.

Fair value estimation

Fair value will be reviewed quarterly on an individual investment basis. Events that will trigger changes to the fair value of each investment in a claim includes the following;

- Changes in general US dollar interest rate assumptions (market assumption);
- Successful judgement of a claim in which the Company has an investment;
- Unsuccessful judgement of a claim in which the Company has an investment;
- Outstanding appeals against both successful and unsuccessful judgements;
- An investment in a claim is to be sold at a discount or to be settled out of Court by a binding agreement;
- Legal impediments to collectability of claims (in the US Chapter 7 Bankruptcy or Chapter 11 Court Protection from Creditors); and
- An investment in a claim's case is dismissed with prejudice (meaning, it can never be re-filed anywhere).

(e) Loans and receivables

Loans and receivables entered into by the Group will initially be measured as the cash sum advanced to a law firm. Attributable due diligence costs are capitalised into the amount advanced. Subsequent measurement of loans and receivables will be at amortised cost using effective interest rate method.

(f) Due diligence costs

The due diligence costs attributable to cases that have resulted in an investment have been capitalised into the cost of the investment. Any other due diligence costs not directly relating to an investment have been expensed immediately in the unaudited condensed consolidated statement of comprehensive income.

(g) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Group as determined in accordance with IFRS is the United States Dollar ("US Dollar") because this is the currency that best reflects the economic substance of the underlying events and circumstances of the Group. The unaudited condensed consolidated financial statements are presented in US Dollars, the presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the unaudited condensed consolidated statement of comprehensive income.

(h) Interest income and Other Income

Interest income for all performing available for sale debt instruments and cash and cash equivalents is recognised in the unaudited condensed consolidated statement of comprehensive income on an accruals basis, using the effective interest method.

The effective interest method is a way of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the relevant period. In the case of assets this rate is the rate which takes the contract's initial value to the expected payout over the expected duration of the claim. The application of the method has the effect of recognising estimated income and expense on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment.

In calculating effective interest, the Company estimates cash flows (using projections based on litigation experience) considering all contractual terms of the financial instrument and the likely outcome of the case. This impacts on the effective interest rate applied to contracts as seen in Notes 3(i) and 5.

(i) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash balances and deposits held at banks with a maturity profile of 12 months or less and bonds for comparatives.

(j) Taxation

The Company has obtained exempt company status in Guernsey. The Company is, therefore, only liable to an annual exemption fee of £600.

To the extent that any foreign withholding taxes or any form of profits taxes become payable, these will be accrued on the basis of the event that created the liability to taxation.

(k) Expenses

Expenses are accounted for on an accrual basis. Expenses for monitoring claims will generally be paid by the Investment Manager except in extraordinary circumstances approved by the Board of Directors of the Company.

(l) Dividends

Dividends paid during the period will be disclosed directly in equity via the unaudited condensed consolidated statement of changes in equity. A final dividend proposed by the Board and approved by the shareholders prior to the period end will be disclosed as a liability. Dividends proposed and not approved will be disclosed in the notes as commitments.

(m) Other receivables and prepayments

These are recognised at fair value, less provision for impairments for non-recoverable amounts.

(n) Other payables

These are recognised at fair value.

(o) Capital and reserves

Ordinary shares are classified as equity through the special reserve. Incremental costs directly attributable to the issue of new shares are shown in equity via the special reserve as a deduction from the proceeds.

(p) Share-based payments transactions

The Company engages in equity settled share-based payment transactions in respect of the services received from one of its directors and from Cenkos Securities ("Nominated Adviser and Broker") as set out in the Company's Admission Document. The fair value of the services received is measured by reference to the fair value of the shares or share options granted on the date of the grant. The fair value of the share options is recognised in the unaudited condensed consolidated statement of comprehensive income over the period that the services are received, which is the vesting period. The fair value of the options granted is determined using the Black-Scholes option pricing model, which takes into account the exercise price of the option, the current share price, the risk free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. Except for those which include terms to market conditions, vesting conditions included in the terms of the grant are not taken into account in estimating the fair value.

Non-market vesting conditions are taken into account by adjusting the number of shares or share options included in the measurement of the cost of the services so that ultimately, the amount recognised in the income statement reflects the number of vested shares or share options. Where vesting conditions are related to market conditions, the charges for the services received are recognised regardless of whether or not the market conditions related vesting condition is met, provided that the non-market vesting conditions are met.

(q) Impairment of assets

The carrying amounts of assets are assessed on a quarterly basis to determine whether there is any indication of impairment. If such indication exists, the Group estimates the recoverable amount of the asset, being the higher of the assets net selling price and its value in use. Any impairment loss is recognised for the excess of the assets' recoverable amount over its carrying value and the difference being taken to the unaudited condensed consolidated statement of comprehensive income.

(r) Earnings per share

The basic earnings per share value is calculated by taking the profit for the period and dividing it by the weighted average number of ordinary shares in issue over the period. The diluted earnings per share figure is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

(s) Net asset value per share

Net asset value per share is calculated by taking the total equity shareholders' funds and dividing it by the number of shares in issue at the period end.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Critical accounting estimates and assumptions

The Manager makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, the directors have relied upon the Manager's assessment of claim investments including the probability of success on the merits of each claim, likelihood of settlement and claim duration. This is most evident in the assessment of the effective interest rate applied to contracts entered into by the Group, as disclosed in Note 5 below.

Determination of functional currency

The determination of the functional currency of the Group is critical since recording of transactions and exchange differences arising there from are dependent on the functional currency selected. As described in note 2, the directors have considered those factors described therein and have determined that the functional currency of the Group is the United States Dollar (US\$).

4. SUBSIDIARIES

	<u>Date Incorporated</u>	<u>% Share holdings</u>	<u>30 June 2009</u>	<u>31 December 2008</u>
			US\$	US\$
Riverbend Investment Limited	8 October 08	100%	1	1
Juridica Ventures KFT	4 March 09	100%	2,200	-
Somerton Investments LLC	31 May 09	100%	1	-
			<u>2,202</u>	<u>1</u>

Juridica Ventures (US) Inc, a wholly owned subsidiary of Juridica Ventures KFT was incorporated on 2 March 2009.

5. AVAILABLE FOR SALE FINANCIAL ASSETS

	<u>Balance at 1 January 2009</u>	<u>Additions</u>	<u>Disposal proceeds</u>	<u>Fair value movement due to effective interest</u>	<u>Realised gains</u>	<u>Balance at 30 June 2009</u>
	US\$	US\$	US\$	US\$	US\$	US\$
Investments in claims						
Case 0108-S	1,071,988	1,269,669	-	31,691	-	2,373,348
Case 0408-W	1,156,438	574,109	-	76,096	-	1,806,643
Case 0608-S	1,559,215	1,302,879	-	(63,125)	-	2,798,969
Case 0708-B	707,180	302,182	(250,000)	39,251	187,500	986,113
Case 0808-C	3,582,877	2,003,015	-	307,418	-	5,893,310
Case 0908- U(settled)	4,319,371	-	(4,337,692)	(1,200,000)	1,218,321	-
Case 1608-T	518,479	-	-	51,487	-	569,966
Case 6308-F	1,202,804	333,045	-	81,347	-	1,617,196
Case 7608-A	-	4,120,382	-	171,560	-	4,291,942
Case 7508-O	-	3,070,932	-	-	-	3,070,932
Total investments in claims	<u>14,118,352</u>	<u>12,976,213</u>	<u>(4,587,692)</u>	<u>(504,275)</u>	<u>1,405,821</u>	<u>23,408,419</u>
Investment in Juridica Capital Management Limited	<u>2,400,005</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,400,005</u>
At 30 June 2009	<u>16,518,357</u>	<u>12,976,213</u>	<u>(4,587,692)</u>	<u>(504,275)</u>	<u>1,405,821</u>	<u>25,808,424</u>

Claim investments have been accounted for using the effective interest method of calculation. Effective interest rates on these investments range between 3.62 and 21.04 percent at 30 June 2009. At 30 June 2009 the Company had investments in 9 claims. Case 0908-U had been determined at 30 June 2009 resulting in a profit on the investment of \$1,218,321. Of this, \$1,200,000 had been recognised as an unrealised gain in the year to December 2008. During the period this has been moved from unrealised gains to realised gains resulting in a realised gain of \$1,218,321 and an unrealised loss movement of \$1,200,000 reported in the income statement. There has also been a partial return of \$187,500 in respect of the Case 0708-B.

The fair value of the Company's investment in Juridica Capital Management Limited was assessed as at 30 June 2009 to be \$ 2,400,005 (31 December 2008: \$ 2,400,005).

6. LOANS AND RECEIVABLES

	Balance at 1 January 2009	Drawdown	Repayment	Movement due to effective interest	Balance at 30 June 2009
	US\$	US\$	US\$	US\$	US\$
Case 3608-A	53,433,408	10,024,537	-	3,408,485	66,866,430

Note 10(f) details arrangements between the Group and Fields Scrantom Sullivan PLLC (FSS). The Loan and the swap have been aggregated on consolidation and treated as a single claim asset. Return on the loan and the swap are dependent on returns in claims financed by FSS.

7. OTHER RECEIVABLES AND PREPAYMENTS

	30 June 2009	31 December 2008
	US\$	US\$
Debtors	-	72,755
Prepayments and accrued bank interest	271,873	201,030
	271,873	273,785

8. CASH AND CASH EQUIVALENTS

	30 June 2009	31 December 2008
	US\$	US\$
Treasury bills	-	21,608,129
Cash at bank	103,886,999	60,903,808
	103,886,999	82,511,937

9. OTHER PAYABLES

	30 June 2009	31 December 2008
	US\$	US\$

Sundry creditors	74,378	225,363
Legal and professional fee	-	43,734
Audit fees	64,833	114,875
	139,211	383,972

Commitments

Under the terms of some of its contracts, JIL provides a line of credit to counterparties. As at 30 June 2009, the maximum commitment under these lines of credit was \$11.8 million (31 December 2008: \$ 27.5 million).

10. RELATED PARTY TRANSACTIONS

The principals of Juridica Capital Management Limited are Richard Fields and Timothy Scrantom. Each of Tim Scrantom and Richard Fields, Directors of JCML, acquired 50,000 Ordinary Shares in the Company (0.0625 percent equity interest each) as reimbursement of 100,000 pounds sterling of pre IPO costs.

(a) Management fee

The Company is managed by Juridica Capital Management Limited, an investment management company incorporated in Guernsey in which the Company holds a 15 percent equity interest. Under the terms of the Management Agreement, the Company appointed Juridica Capital Management Limited as an Investment Manager to provide management services to the Company. The Investment Manager receives a fee based on the adjusted net asset value of the Company, payable quarterly in advance using the annual rate of 2.5 per cent. The adjusted net asset value is the net asset value of the Company at the relevant time, after accruing for the annual management fee but not taking into account any liability of the Company for accrued performance fees and after:

(i) deducting any unrealised gains on investments;

(ii) adding the amount of any write downs with respect to investments which have not been written off; and

(iii) deducting the value of the Company's investment in JCML. The Investment Management fee for 2009 is based upon the adjusted closing Net Asset Value of the Company at 31 December 2008 which was \$147.2 million, adjusted from 06 April 2009 to include the net proceeds of the placing. In the period to 30 June 2009 management fees totalling \$2,137,812 (30 June 2008: \$1,921,533) were paid to Juridica Capital Management Limited. As at 30 June 2009 the management fee creditor was \$ Nil (31 December 2008: \$Nil).

(b) Investment in Juridica Capital Management Limited

The Company acquired 15 percent of Juridica Capital Management Limited on Admission (see Note 5). The investment is measured at fair value. An impairment review has been performed as part of the fair value assessment and an impairment review will be carried out on a semi-annual basis.

(c) Performance fee

The Investment Manager is entitled to a performance fee based on the adjusted net asset value (being the NAV of the Company before taking into account any performance fee payable less any unrealised gains on investments plus the value of any writedowns in any investments that have been written down but not written off) of the Company. The performance fee will equal 20 per cent of the annualised increase in the net asset value between a hurdle rate of 8 per cent and 20 per cent, furthermore a fee of 35 per cent of the increase over a hurdle of 20 per cent and 40 per cent and 50 per cent of the same increase over a hurdle of below 40 per cent. The fees are subject to a high water mark such that no performance fee will be paid if the performance of the Company does not exceed the net asset value at the end of the previous year in which the performance fee was paid. Payment of the performance fee is subject to the condition set out in (d), below. For the purposes of calculating the performance fee at 30 June 2009, the adjusted net asset value was:

	30 June 2009	31 Dec 2008
	US\$	US\$
Net asset value	196,694,515	152,353,515

Less unrealised gains on claim investments	(5,281,653)	(2,439,315)
Less carrying value of investment in JCML	(2,400,005)	(2,400,005)
Adjusted net asset value	<u>189,012,857</u>	<u>147,514,195</u>

As at 30 June 2009 the hurdle rate was not achieved, therefore, no performance fee was paid or payable for the period.

(d) Trust account

Of the performance fee, 50 percent of any payment within the first four years from the date of admission will be retained by the Company in a trust account. During that period if, at any given year end, the annualised increase in net asset value of the Company is less than 8 percent, the Company may claw back 20 percent of the difference between the actual net asset value and the net asset value assuming an 8 percent increase from the net asset value for the previous period. As at 30 June 2009 the balance in the trust account was \$ Nil (31 December 2008: \$Nil).

(e) FaceVu LLC

On November 20, 2008 the Company agreed to provide \$1.475 million to FaceVu LLC, a company not related to the Company. \$525,000 of this was paid to Turtle Bay Technologies Limited, a company ultimately owned and controlled by Juridica Capital Management Limited, for services provided to FaceVu LLC by Turtle Bay Technologies Limited.

(f) Facility agreements and Collateral Account

The Company entered into a facility agreement at the time of its admission to AIM with which it agreed to loan to Fields Scrantom Sullivan PLLC ("FSS") money for funding cases in which FSS was to act under a co-counsel Agreement. FSS is a law firm controlled by Richard Fields and Timothy Scrantom. This facility was replaced on 14 November 2008 by a loan agreement for up to \$62 million to fund costs and expenses associated with a portfolio of 5 cases being litigated by a group of experienced partners with whom FSS has partnered. At 30 June 2009, \$62 million (31 December 2008: \$52 million) had been drawn down.

On 16 July 2009 the Company entered into another loan agreement with FSS for \$17million which the Company may increase by \$9 million over the following 3 years at its discretion. This loan was to fund the costs and expenses of a case being litigated by the same group of partners which involves significant antitrust claims in the United States. At 27 September 2009 \$17 million had been drawn down.

At the same time as entering into the second loan agreement the first loan agreement was amended so that the terms of both loan agreements were substantially the same.

The loan agreements remain outstanding and available until the earlier of (i) termination of the Management Agreement, (ii) the date on which Richard Fields and Timothy Scrantom cease to own a controlling interest in FSS, (iii) the winding up of the Company, (iv) an event of default under the relevant loan documents, or (v) ten years from Admission.

Interest is payable on both loans at a compounding annual interest rate of 15 percent (the first loan agreement originally had interest compounding annually at the rate of 12 per cent). Both loans are repayable 10 years after admission of the Company to AIM and are secured by FSS's economic interests in the Partnership and outcomes of the underlying cases. In the light of the fact that both loans are with recourse to FSS (but not the FSS members) at the end of the term of the loans, FSS entered into a swap agreement with Riverbend Investments Limited ("Riverbend"), a wholly-owned subsidiary of JIL (the "Swap") at the time of the first loan, which was amended on 16 July 2009 to include the second loan as well.

Under the Swap, Riverbend will pay FSS any amounts payable under the loans at the end of the term of the loans to the extent that FSS does not have sufficient income from FSS to allow such payment. As consideration, Riverbend will be entitled to an annual amount equal to the greater of \$ 3.5 million or 36 percent of the principal and interest then due under the Note (subject to FSS having sufficient income received from the Partnership to pay the same). Under a standby support arrangement, JIL has agreed to provide Riverbend with funding to enable Riverbend to perform its obligation under the Swap.

All relevant revenues (before deduction of any tax) received by and belonging to FSS arising from the underlying cases (Relevant Revenues) must on the date received be paid or placed into a specified account. Save as permitted by the loan agreements, FSS may only withdraw amounts from a specified account to pay any tax arising on the Relevant Revenues.

The order of payment under the loan agreements is as follows:

- (i) first, FSS must pay to the Company all unpaid default interest due under the loan agreements, to the full extent of available Relevant Revenues. If the amounts of Relevant Revenues available on a payment date is sufficient to pay only a part, but not the full amount, of the default interest then due under the loan agreements the amount to be paid in respect of each of the first loan and the second loan shall be paid pro rata to the amount of principal then outstanding under each of the first loan and the second loan;
- (ii) second, of any Relevant Revenues remaining after the payment under subsection (i) above, FSS shall pay to the Company all unpaid regular interest due under the loan agreements to the full extent of available Relevant Revenues. If the amount of Relevant Revenues available on a payment date is sufficient to pay only a part, but not the full amount, of the regular interest then due under the loan agreements the amount to be paid in respect of each of the first loan and the second loan shall be paid pro rata to the amount of principal then outstanding under each of the first loan and the second loan;
- (iii) third, of any Relevant Revenues remaining after the payments under subsection (i) and (ii) above, FSS shall make payments to the Company on the principal outstanding under the loan agreements equal in each case to
- the outstanding principal of the relevant loan on the last day of the relevant calculation period divided by
 - the sum of (1) plus the number of years remaining from the last day of such calculation period to 31 December 2018.

If the amount of Relevant Revenues available after the payments under subsection (iii) above is sufficient to pay only a part, but not the full amount, of the principal then due under each of the first loan and the second loan in accordance with this subsection, then amount to be paid in respect of each of the first loan and the second Loan shall be paid pro-rata to the amount of principal then outstanding under each of the loans;

- (iv) fourth, any Relevant Revenues remaining after the payments under subsections (i), (ii) and (iii) above ("**Remaining Relevant Revenues**"), FSS shall make payments due to any third party approved in advance by the Company, for the sole purpose of hedging FSS 's risk under the first and second loan agreements, up to the full amount of such payments then due under any such hedging arrangements; and then
- (v) fifth, any Relevant Revenues remaining after the payments under subsections (i), (ii), (iii) and (iv) above shall be paid into, and held in the Revenues Collateral Accounts under the terms and conditions of the loan agreements and any hedging arrangements approved by the Company in future years, and no principal or interest shall be due or payable by FSS to the Company except as specifically provided in the Loan Agreement or on the Termination Date.

(g) **Directors' Fees**

	<u>30 June</u> <u>2009</u>	<u>30 June</u> <u>2008</u>
	US\$	US\$
Lord Daniel Brennan QC	61,625	109,151
Richard Battey	47,158	65,490
Kermit Birchfield	<u>44,682</u>	<u>54,575</u>
	<u><u>153,465</u></u>	<u><u>229,216</u></u>

No pension contributions were paid or were payable on behalf of the Directors.

Lord Daniel Brennan has an interest in 400,000 shares under a Share Option Agreement, details of which were disclosed in the Admission Document. The fair value of these options was determined as of the grant date to be \$139,138, which is to be provided for over the vesting period of the options of 5 years. As at 30 June 2009, a provision of US\$36,689 (31 December 2008: US\$27,828) has been made for these options.

The other Directors have no beneficial interest in the share capital of the Company.

(h) Cenkos Warrant

Cenkos Securities plc has an interest in 800,000 shares under a Deed of Warrant Grant at a price of 130p exercisable until 21 December 2012. These were fair valued as of the grant date at US\$246,906 and a full provision has been made for this in the annual financial statements prepared for the period ended 31 December 2008.

(i) Cenkos Securities Plc

Cenkos Securities Plc acquired 1,535,087 shares, in lieu of commission for the fund raising, under the terms of the placing effective on 6 April 2009 at a price of £1.14.

(j) Juridica Capital Management Limited - Investment in Juridica Investments Limited

Juridica Capital Management Limited acquired 1.5 million shares in the Company on Admission and has acquired a further 153,507 shares under the terms of the placing effective on 6 April 2009 at a price of £1.14. As announced on 28 July 2009 these shares have been sold to certain employees of the Manager.

11. FUNCTIONAL AND PRESENTATION CURRENCY / EXCHANGE RATES

The financial statements are presented in United States Dollar ("US\$") which is also the Company's functional currency. The following rate was applicable as at 30 June 2009.

	Closing rate	
	30 June 2009	31 December 2008
	US\$	US\$
Great Britain pounds (GBP)	1.6455	1.4578

12. CAPITAL AND RESERVES

Authorised share capital: Unlimited number of ordinary shares of no par value.

Issued share capital: 110,701,754 shares as of 30 June 2009 (31 December 2008: 80,000,000), of which 80,000,000 shares were issued at a premium of £1 per share on admission with a further 30,701,754 shares issued at a premium of £1.14 on 6 April 2009.

The Company's Capital is represented by Ordinary Shares of no par value and share premium. Each share carries one vote and is entitled to dividends when declared. The relevant movements on capital are shown on the statement of changes in equity through the special reserve.

The Company has authority to make market purchase of up to 14.99 percent of its own issued Ordinary Shares. This authority was renewed at the first annual general meeting of the Company held on 28 May 2009. A renewal of the authority to make purchases of Ordinary Shares will be sought from Shareholders at each annual general meeting of the Company. The timing of any purchases will be decided by the Board.

13. SUBSEQUENT EVENTS

New Investment

As announced on 30 July 2009, the Company has agreed to loan Fields Scrantom Sullivan PLLC ("FSS") a further \$17 million which may at the Company's discretion be increased by a further \$9 million over the next three years (the "New Loan"). This loan extends the Company's existing \$62 million loan to FSS, as announced on 14 November 2008. The proceeds of the New Loan will be used to fund certain costs and expenses of a case ("Case 8008-L") which involves significant antitrust claims in the United States.