

JURIDICA INVESTMENTS LIMITED
HALF YEARLY REPORT AND UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

JURIDICA INVESTMENTS LIMITED
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

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**JURIDICA INVESTMENTS LIMITED
CORPORATE INFORMATION
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011**

Directors of the Company :

Lord Daniel Brennan (Non-executive Chairman)
Richard Battey (Non-executive Director)
Kermit Birchfield (Non-executive Director)

Investment Manager :

Juridica Capital Management Limited
Bordeaux Court
Les Echelons
St. Peter Port
Guernsey, GY1 6AW
Channel Islands

Administrator and Company Secretary :

Bordeaux Services (Guernsey) Limited
Bordeaux Court
Les Echelons
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Channel Islands

Independent Auditors :

Pricewaterhouse Coopers CI LLP
Royal Bank Place
PO Box 321
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Guernsey, GY1 4ND
Channel Islands

Nominated Adviser and Broker :

Cenkos Securities plc
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London, EC2R 7AS

Guernsey Advocates :

Mourant Ozannes
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St. Peter Port
Guernsey, GY1 4HP
Channel Islands

English Solicitors :

Travers Smith LLP
10 Snow Hill
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Registrar :

Capita Registrars (Guernsey) Limited
Mont Crevelt House
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Registered Office :

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JURIDICA INVESTMENTS LIMITED
CHAIRMAN'S STATEMENT
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

On behalf of the Board, I present the results of Juridica Investment Limited's ("JIL" or the "Company") operations for the six month period ended 30 June 2011.

JIL focuses exclusively on business-to-business related claim investments that include the following sectors: antitrust and competition; intellectual property, particularly patents; and general commercial litigation. The Company does not invest in shareholder class actions, personal injury, product liability, or mass tort claims.

We are the US market leaders in antitrust and competition cases. This is the key sector of our investment portfolio because of our confidence in expected returns, albeit the cases are complex and are of longer duration. During the next 30 months, we expect this part of our portfolio to result in concluded trials or settlements. We have reasonable grounds for anticipating substantial returns.

Operating results

During the six month period ended 30 June 2011, the Company received proceeds totalling approximately US\$4.9 million related to one full settlement, one partial settlement and one small residual payment from a case settled in 2009. Total cash profit based on these settlements totalled approximately US\$2.3 million with US\$1.2 million being recognised in the reporting period as realised gain and US\$1.1 million being recognised in the current and past reporting periods as unrealised gain.

Our results for the six month period ended 30 June 2011 compare favourably against our results for the same period ended 30 June 2010. For the six month period ended 30 June 2011, the Company reported total comprehensive income of approximately US\$16.1 million as compared to a comprehensive loss of approximately US\$5.2 million during the same period for 2010.

Net Asset Value

JIL's Net Asset Value ("NAV") per share increased 8.4% rising to US\$2.0141 per share at 30 June 2011 from US\$1.8578 per share at 31 December 2010. This increase in NAV per share was primarily due to total comprehensive income of US\$16.1 million during the six month period ended 30 June 2011.

New investments

During the six month period ended 30 June 2011, the Company made one new investment committing or spending a total of US\$4.2 million. This investment relates to a case which has completed its trial and Juridica Capital Management Limited ("JCML" or "the Manager") expects a decision to be reached prior to 31 December 2011, although the trial judge could take longer to issue a ruling.

The Manager's pipeline of potential investments remains strong with several deals in an advanced stage of development and others undergoing due diligence. Funding for the pipeline is expected to come from return of capital on settled cases.

Outlook

Based on the outlook provided by JCML, we believe we will see significant activity during the next 18 months. This belief is based on JCML's review of presently scheduled trial dates, expected final decisions following trial or arbitration, and the determination of Markman hearings (where pre-trial the construction of patents are defined and determined). Each of these milestones, if successful, creates real incentives for defendants to conclude settlements.

We have had one investment come to full completion during 2011. JCML believes two additional investments are likely to be completed and an additional two investments have the potential to be completed this calendar year.

The directors thank investors for their continued confidence.

Lord Daniel Brennan QC
Chairman
14 September 2011

**JURIDICA INVESTMENTS LIMITED
INVESTMENT MANAGER'S REPORT
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011**

Operating highlights

During the first half of 2011, Juridica Investments Limited (“JIL” or “the Company”) realised a successful conclusion to one of its investments and saw several more investments advance toward their concluding phase. The progress in these investments came as their underlying cases matured. Several of these cases were in a protracted delay caused by the 2008 and 2009 economic downturn and systemic issues in the US judicial system which extended the Company’s holding period for its investments. Although the hold period for the Company’s larger investments was longer than expected, Juridica Capital Management Limited (“JCML” or “the Manager”) believes the settlement value of many of the underlying cases should increase.

The Manager continues to see strong demand for the Company’s services. Unlike in past periods, the industry has developed a more thorough understanding of the Company’s value. As such, sourcing activity is growing faster than expected.

Since inception, JIL has invested in a total of 23 investments representing 30 different cases.

From inception through 30 June 2011 the Company’s portfolio has performed as follows:

- Six investments have come to completion with settlements in the underlying cases delivering a total of US\$32.4 million in gross proceeds representing a blended internal rate of return of approximately 78% (as calculated from date of investment to date of proceed return).
- Five cases, which are multi-defendant in nature, had partial settlements through 30 June 2011 providing for gross proceeds of approximately US\$4.2 million.
- An additional US\$1.5 million was repaid to JIL from the Fields Sullivan PLLC facility (“FS Facility”) in 2009 when a key decision resulted in the release by Fields Sullivan PLLC of a required reserve.

Since 31 December 2010 the Company has invested US\$4.2 million in one additional case. This case involves numerous claims including breach of fiduciary duty, misappropriation of trade secrets, and interference with business opportunity. The investment was structured whereby the Company has taken an indirect equity interest in the plaintiffs in the action. The case has already completed its bench trial (trial before a judge and not a jury) and counsel for the plaintiff expects a decision prior to 31 December 2011.

For the six months ended 30 June 2011, JIL received gross cash receipts totalling approximately US\$4.9 million. Included in this amount is US\$4.5 million for the full settlement of a case relating to one of the Company’s investments. This investment was made in December 2009 and totalled approximately US\$2.5 million (including a US\$400,000 insurance contract that protected entirely against risk of loss). The internal rate of return associated with this investment was approximately 54%. An additional US\$384,000 in proceeds was received from the partial settlement of one additional case and approximately US\$50,000 was received as a residual payment for a case that came to full settlement in 2009. The realised gain from settlement activity that occurred during the six month period ended 30 June 2011 was approximately US\$1.2 million. Actual cash gains from these same settlements totalled approximately US\$2.3 million with approximately US\$1.1 million previously recognized as unrealised income.

JIL’s Net Asset Value (“NAV”) increased from US\$1.8578 per share at 31 December 2010 to US\$2.0141 per share at 30 June 2011. This increase in NAV per share was primarily due to total comprehensive income of US\$16.1 million during the six month period ended 30 June 2011. This income reflects the following:

- Unrealised income of US\$21.2 million from net fair value increase in valuation of the Company’s investment portfolio.
- Realised gain on contractual interests of US\$1.2 million.

JURIDICA INVESTMENTS LIMITED
INVESTMENT MANAGER'S REPORT (continued)
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

- Fund operating expenses of US\$6.4 million. Included in this expense are US\$2.9 million due diligence and transaction costs related to a pending transaction that remained in progress as of 30 June 2011. This particular transaction is exceptional and significant in size and, as of 30 June 2011, has incurred approximately US\$5.0 million in due diligence and transaction costs since 2009. Accounting guidelines dictate that due diligence and transaction costs relating to pending investments are expensed in the same financial year in which the expense occurred. If, in a subsequent year, the investment ultimately closes, all previously expensed due diligence and transaction costs will be reversed in the year the transaction closes and capitalised as part of the investment's cost.

Manager's View on Potential Returns

Given the uncertain nature of litigation in general and the quantum of damages that trial juries may award, the Company's portfolio has the characteristics to produce a wide range of potential returns. This does not detract from the belief the Manager holds that JIL has invested in an excellent, high quality portfolio of cases which should, as a whole, produce healthy returns. Recent developments in certain investments and their underlying cases, reaffirm the Manager's belief that the Company's portfolio has the potential to produce healthy returns.

Valuation

The Manager values JIL's investments using valuation methods that: (i) are recognised as standard within the industry; (ii) are applied in a manner that follows International Financial Reporting Standards' ("IFRS") fair value accounting rules; and (iii) agree with the views of our auditors. Under fair value accounting, an initial valuation is established by the Manager from its valuation model that is based on the merits of the case and the Manager's initial view towards the probability and timing of various settlement scenarios and trial outcomes and the potential of profit to the Company ("Case Terminal Value"). The scenarios are assigned a probability that incorporates all known risks intrinsic to the case. The Manager also identifies risks that are extrinsic to the case, including such items as claimholder risk, counsel risk, defendant risk, judicial risk, and other risks that are present in all legal cases but not directly related to the merits of the case. The Manager then uses the effective interest method of calculation to generate an interest rate ("Initial Interest Rate") that systematically increases the invested basis up to its Case Terminal Value in the expected timeframe. Because all scenarios, even those considered remote, are factored into valuing the Company's investments, the fair value calculation is usually below the Manager's actual view of potential returns from the investments.

The Manager revisits the assumptions behind each investment's valuation on a bi-annual basis and, if needed, will rerun the investment's valuation. If a new valuation is prepared, it will generate a revised expectation towards the investment's future cash flow. In accordance with the effective interest rate method of calculation, the Manager will then discount the revised stream of cash flow by applying a discount rate equal to the investment's Initial Interest Rate. The carrying value of the investment will then either be increased or decreased in order to equal the value of the discounted stream of future cash flows. Changes in expected future cash flows are expected to occur frequently given the uncertainty surrounding each investment. The magnitude of change in valuation based on any of the above factors is highly dependent on the specific investment's Initial Interest Rate. The higher the Initial Interest Rate, the greater the impact any change in expected cash flow or timing will have on the investment's valuation.

The process of systematically increasing JIL's investments in accordance with the effective interest method and then periodically increasing or decreasing the valuation based on changes in expected cash flows does not impact cash. In addition, given that certain events in the legal cycle can be severely damaging in one period only to be reversed in a future period, JIL's investments may move dramatically up or down from one period to the next as a result of the IFRS accounting treatment.

JURIDICA INVESTMENTS LIMITED
INVESTMENT MANAGER'S REPORT (continued)
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

As dictated by IFRS accounting rules, JIL characterizes its investments as either i) contractual interests, ii) available for sale debt securities, or iii) available for sale assets. The Company's contractual interests are the standard structure whereby the Company invests funds for either a fixed return or an interest in the proceeds. The Company's available for sale debt securities consist of the FS Facility which comprises the loans the Company made to Fields & Sullivan PLLC. The Company's available for sale assets consists of equity interests the Company holds in certain entities that have rights to proceeds from certain cases and also include the Company's equity holdings in the Manager.

As of 30 June 2011, the Manager examined the valuation for all of JIL's investments. In doing so, the following adjustments were made to their individual valuations:

- Valuation for the Company's contractual interests decreased by US\$1.8 million reflecting the net of US\$1.2 million in additional investment funding, US\$4.9 million reduction due to the return of proceeds from JIL's settlement activity, US\$700,000 increase due to each investments individual change in fair value, and US\$1.2 million in realised gain.
- Valuation for the Company's available for sale debt securities increased by approximately US\$19.4 million due to a significant positive adjustment relating to one of the cases which is security for the FS Facility. As such, the valuation of the FS Facility dramatically increased. This increase is partly reflected on the Consolidated Statement of Comprehensive Income with approximately US\$6.7 million under the caption "other income arising on contractual interests" and approximately US\$12.6 million under the caption "fair value change in available for sale debt securities".
- Valuation for the Company's available for sale assets increased by US\$8.3 million of which US\$7.0 million relates to additional funding for investments and US\$1.3 million relates to the individual investment's change in fair value.

Portfolio update

JIL presently has a total of 17 investments involving 22 cases. As at 14 September 2011, the portfolio comprised the investments described in the table below:

Type of claim or litigation	Cases	Total Commitment	Investments
Antitrust (monopolisation)	2		
Antitrust (price-fixing)	3	\$80.5m	1
Statutory claims	1		
Patents	10	\$38.1m	10
Property damage and insurance subrogation	1	\$0.5m	1
Contract claims	4	\$9.9m	4
Arbitration	1	\$3.1m	1
Total	22	\$132.1m	17

The portfolio has the following features:

- Certain investments include ancillary rights to finance future cases
- Number of subject matters: 7
- Number of jurisdictions: 13
- Number of plaintiff law firms: 18
- Average exposure per case: US\$6.0 million
- Average age of cases: 4.14 years (measured from the date of first filing of any litigation)
- Average age of investments: 2.23 years (measured from the date of first investment)

JURIDICA INVESTMENTS LIMITED
INVESTMENT MANAGER'S REPORT (continued)
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

The above investments represent the majority of JIL's currently available investable cash. In addition to the above amounts, US\$3 million has been advanced in July 2011 and an additional US\$3 million is reserved for an investment option related to an existing investment. This investment, while incorporating the usual risk of loss, has been identified through the Manager's due diligence and valuation process as having the potential to deliver significant returns to the Company. This transaction was structured to increase protection to JIL.

JCML has also reserved approximately US\$12 million for the Company to take a significant position in an investment which if completed will provide on-going revenue and the potential to provide significant gain to shareholders.

Notable activity:

The following activity reflects advancement in JIL's portfolio. One or more of these events may have a significant positive impact on the Company's net asset value. It is possible that one or more settlements may be concluded as a result of an award or judgment or prior to conclusion of a case that could result in net profit to the Company in excess of 10% of the Company's current net asset value.

- Two investments may be completed or reach an advanced stage, such as entry of an award or judgment, prior to the end of the calendar year.
- Two additional cases which comprise part of the security for the loan facility made to FS may also complete or reach an advanced stage prior to the end of the calendar year. One case is scheduled for trial in the fourth quarter. The Company has previously reported that damages claimed by the plaintiff in this case are in excess of US\$1.0 billion and, if awarded by a jury, will be automatically trebled by the court. Any judgment in this case would, of course, be subject to appeal and possible reversal by one or more appellate courts and appeals could result in a delay of several years prior to collection or settlement. The Manager expects that if the case is resolved by settlement that the amount of settlement will be substantially less than claimed damages and/or any judgment entered by the trial court. The Manager also expects that if the case is settled prior to completion or a favourable jury verdict is rendered and judgment is entered by the trial court, such a result may have a significant positive impact on the Company's net asset value.
- In the other case which comprises part of the security for the loan facility made to FS, the Manager expects that a series of settlements with individual defendants may occur over the next 12 to 24 months beginning as early as prior to the end of this calendar year, and that such settlements (individually or in total) may have a significant positive impact on the Company's net asset value.
- Two patent cases received favourable rulings at their Markman hearing (where, pre-trial, the construction of patents are defined and determined). One of these cases has previously generated several settlements from the defendant group with more expected.

One investment in the Company's portfolio could be negatively impacted by an adverse decision that has recently been received. This investment involves two cases, one of which received a victory at trial, post 30 June 2011, but was awarded damages that were far below expectations and will not provide for any proceeds to the Company. The second case in the investment is in a different jurisdiction and has not yet gone to trial. The Manager expects to reduce the Company's valuation on the combined investment for the 2011 Annual Report and Accounts. The Manager believes the investment will still return a profit to the Company by the time both cases are completed and thus will continue to retain value.

JURIDICA INVESTMENTS LIMITED
INVESTMENT MANAGER'S REPORT (continued)
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

Outlook

The ongoing economic slow-down and its impact on defendants and on state and Federal budgets along with systemic problems in the Federal judiciary system continue to slow the pace of litigation settlements. With regard to defendants, JCML believes many continue to want to preserve cash and as such are less agreeable to settle at what would otherwise be an advantageous time to do so. With regard to state and Federal budgets, reduced funding has clogged civil court dockets. Amplifying the Federal budget issue is a bottleneck in the appointment of new judges in the US after the US Senate's failure to fill over 100 vacancies in the federal judiciary system. This failure has not only created a huge backlog of cases for sitting judges but also has helped drive decisions that ease their backlog but end up requiring further time and legal effort. As a result, there remains a possibility that certain investments could face ongoing delays. The Manager is closely monitoring the dockets for the various courts and is considering these potential delays when underwriting new investments.

Even with these budget and systemic issues, we expect JIL's portfolio will see significant activity within the next 18 months. This expectation is based on confirmed trial dates, expected final decisions following trial or arbitration, and the determination of Markman hearings. Each of these milestones, if successful, creates real incentives for defendants to seek settlements. In addition to the notable activity disclosed above, the following schedule reflects activity on the Company's investments:

Trial and arbitration:

- One trial scheduled for fourth quarter of 2011
- Three trials scheduled for second half of 2012
- Two trials scheduled for first half of 2013

Markman hearings in patent cases:

- One Markman hearing ruling expected prior to 31 December 2011

In addition to the above list, settlement discussions are on-going for several investments.

The above noted level of activity is consistent with JCML's expectation for JIL's investments for its longer term cases. Certain of the Company's more recent investments were made with an expectation of a shorter duration. JCML evaluates all potential investments based on underlying merits and incorporates expected timing and expected return in its analysis. Although no assurance can be given that any investment will generate profits when completed, JCML considers the investments associated with the activities noted could complete in the next 18 months and have the potential to generate significant returns for the Company.

Forward looking statements

This report contains forward looking statements, which are based on the current expectations and assumptions of the Manager and involve known and unknown risks and uncertainties that could cause actual results or performance to differ materially from those expressed or implied in such statements. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward looking statement speaks only as of the date of this report. Except as required by the AIM Rules or otherwise by law, the Company and the Manager expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained herein to reflect any change in the Company's or Manager's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

JURIDICA INVESTMENTS LIMITED
INDEPENDENT REVIEW REPORT
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

Introduction

We have been engaged by the Company to review the unaudited condensed consolidated set of financial statements in the half-yearly financial report for the six months ended 30 June 2011, 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 consolidated 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.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards ("IFRS"). The condensed consolidated 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 unaudited 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 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 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.

**JURIDICA INVESTMENTS LIMITED
INDEPENDENT REVIEW REPORT
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011**

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the period ended 30 June 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34 and the AIM Rules for Companies.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Notes 4, 5 and 6 to the condensed consolidated financial statements. As indicated in Notes 4, 5 and 6, the condensed consolidated financial statements include non-current assets stated at their fair value of US\$168,981,709. Because of the inherent uncertainty associated with the valuation of such non-current assets and the absence of a liquid market, these fair values may differ from their realisable values, and the differences could be material.

PricewaterhouseCoopers CI LLP

Royal Bank Place
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Guernsey, GY1 4ND
Channel Islands

14 September 2011

JURIDICA INVESTMENTS LIMITED
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

	Notes	For the period from 1 January 2011 to 30 June 2011 US\$	For the period from 1 January 2010 to 30 June 2010 US\$
INCOME			
Interest income		43,482	182,609
Realised gain on contractual interests		1,201,793	40,610
Other income arising on contractual interests	4	688,994	183,023
Other income arising on available for sale debt securities		6,652,789	5,695,140
Foreign exchange gain/(loss)		77,265	(224,469)
		8,664,323	5,876,913
EXPENSES			
Management fees		2,220,934	2,401,996
Due diligence and transaction costs		3,274,087	596,348
Directors remuneration	13(j)	216,016	214,714
Audit fees		82,114	196,172
Legal expenses		178,100	161,990
Administration fees		156,723	156,438
Advisory fees		44,292	42,240
Marketing expenses		51,317	21,775
Options and warrants costs		14,632	14,632
Registrars fees		4,703	8,094
Bank charges		5,602	4,290
Other expenses		178,080	227,960
		6,426,600	4,046,649
Profit for the period		2,237,723	1,830,264
Other comprehensive income:			
Fair value change in available for sale assets	5	1,254,257	-
Fair value change in available for sale debt securities	6	12,609,540	(6,998,736)
Total comprehensive income/(loss) for the period		16,101,520	(5,168,472)
Comprehensive income/(loss) attributable to:			
Equity shareholders		15,373,500	(4,837,002)
Non-controlling interests		728,020	(331,470)
		16,101,520	(5,168,472)
Earnings per Ordinary Share			
Basic	Cents	14.68	(4.37)
Fully diluted	Cents	14.51	(4.32)

The notes on pages 15 to 20 form an integral part of these unaudited condensed consolidated financial statements.

JURIDICA INVESTMENTS LIMITED
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Notes	30 June 2011 US\$	31 December 2010 US\$
Non-current assets			
Contractual interests	4	36,967,863	38,800,709
Available for sale financial assets	5	17,528,361	9,217,177
Available for sale debt securities	6	114,485,485	95,086,748
		<u>168,981,709</u>	<u>143,104,634</u>
Current assets			
Other receivables and prepayments	7	1,287,443	3,855,643
Cash and cash equivalents	9	47,759,022	51,802,998
		<u>49,046,465</u>	<u>55,658,641</u>
Total assets		<u>218,028,174</u>	<u>198,763,275</u>
Current liabilities			
Put option	8	2,834,395	3,076,770
Other payables	10	4,318,249	1,169,502
Total liabilities		<u>7,152,644</u>	<u>4,246,272</u>
Net assets		<u>210,875,530</u>	<u>194,517,003</u>
Capital and reserves			
Special reserve		199,013,730	199,013,730
Other reserve		4,435,786	(8,956,998)
Revenue reserve		14,687,233	12,449,510
Treasury shares		(9,925,024)	(9,925,024)
		<u>208,211,725</u>	<u>192,581,218</u>
Non-controlling interests		2,663,805	1,935,785
Total equity Shareholders' funds		<u>210,875,530</u>	<u>194,517,003</u>
Number of ordinary shares		104,701,754	104,701,754
Net Asset value per ordinary share		\$2.0141	\$1.8578

These half yearly unaudited condensed consolidated financial statements were approved by the Board of Directors on 14 September 2011 and signed on its behalf by:

R J Battey
Director

The notes on pages 15 to 20 form an integral part of these unaudited condensed consolidated financial statements.

JURIDICA INVESTMENTS LIMITED
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

	30 June 2011					Total US\$
	Special reserve	Other reserve	Revenue reserve	Shares held in Treasury	Non- controlling interests	
	US\$	US\$	US\$	US\$	US\$	
Balance at 1 January 2011	199,013,730	(8,956,998)	12,449,510	(9,925,024)	1,935,785	194,517,003
Changes in equity for 2011						
Profit for the period	-	-	2,237,723	-	-	2,237,723
Fair value change in available for sale assets	-	1,254,257	-	-	-	1,254,257
Fair value change in available for sale debt securities	-	11,881,520	-	-	728,020	12,609,540
Total comprehensive income	-	13,135,777	2,237,723	-	728,020	16,101,520
Put option provision	-	242,375	-	-	-	242,375
Share option payment reserve	-	14,632	-	-	-	14,632
Balance at 30 June 2011	199,013,730	4,435,786	14,687,233	(9,925,024)	2,663,805	210,875,530

	30 June 2010					Total US\$
	Special reserve	Other reserve	Revenue reserve	Shares held in Treasury	Non- controlling interests	
	US\$	US\$	US\$	US\$	US\$	
Balance at 1 January 2010	199,013,730	6,019,556	7,787,861	-	3,195,982	216,017,129
Changes in equity for 2010						
Profit for the period	-	-	1,830,264	-	-	1,830,264
Fair value change in available for sale debt securities	-	(6,667,266)	-	-	(331,470)	(6,998,736)
Total comprehensive income	-	(6,667,266)	1,830,264	-	(331,470)	(5,168,472)
Put option provision	-	(1,014,293)	-	-	-	(1,014,293)
Share option payment reserve	-	14,632	-	-	-	14,632
Balance at 30 June 2010	199,013,730	(1,647,371)	9,618,125	-	2,864,512	209,848,996

The notes on pages 15 to 20 form an integral part of these unaudited condensed consolidated financial statements.

JURIDICA INVESTMENTS LIMITED
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

	For the period from 1 January 2011 to 30 June 2011	For the period from 1 January 2010 to 30 June 2010
	US\$	US\$
Cash flows from operating activities		
Profit for the period	2,237,723	1,830,264
<i>Adjusted for:</i>		
Fair value change on contractual interests and available for sale debt securities	(7,341,783)	1,120,573
Realised gains on contractual interests	(1,201,793)	(40,610)
Increase in share option and warrant reserve	14,632	14,632
Interest income	(43,482)	(182,609)
<i>Changes in working capital</i>		
Purchases of contractual interests, available for sale financial assets and available for sale debt securities	(6,844,302)	(7,096,541)
Settlement of contractual interests	7,163,301	40,610
Decrease in trade and other receivables	338,907	458,829
(Decrease)/increase in trade and other payables	1,589,339	50,980
<i>Cash used in operations</i>	(4,087,458)	(3,803,872)
Interest received	59,395	508,342
Net cash outflow from operating activities	(4,028,063)	(3,295,530)
Net decrease in cash and cash equivalents	(4,028,063)	(3,295,530)
Cash and cash equivalent at the beginning of the period	51,802,998	77,050,345
Effect of foreign exchange rate changes	(15,913)	(245,039)
Cash and cash equivalent at the end of the period	47,759,022	73,509,776

The notes on pages 15 to 20 form an integral part of these unaudited condensed consolidated financial statements.

JURIDICA INVESTMENTS LIMITED
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

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 subsidiaries as detailed in note 3. 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 2011 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 2010 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 accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, except for the adoption of Improvements to IFRSs 2010 (2010 Improvements) as of 1 January 2011. The 2010 Improvements made several minor amendments to IFRSs. The relevant amendments and their effects on the current period or prior periods are described below.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2011:

- IAS 24 (revised), 'Related Party Transactions' - Revised definition of related parties (effective for financial years beginning on or after 1 January 2011).
- IAS 32 (revised) – Financial Instruments: Presentation – classification of rights issues (effective for financial years beginning on or after 1 February 2010).
- Amendments resulting from the May 2010 Annual Improvements to IFRSs (effective for financial years beginning on or after 1 January 2011, except for IFRS 3 and IAS 27 which are effective for financial years beginning on or after 1 July 2010).

Adoption of the above standards and amendments have had no material impact on the Group's consolidated results or position.

3. SUBSIDIARIES

	Date Incorporated	% Share holdings	30 June 2011	31 December 2010
			US\$	US\$
Riverbend Investment Limited	8 October 08	92%	1	1
Juridica Ventures KFT	2 March 09	100%	2,200	2,200
Somerton Investments LLC	31 May 09	100%	1	1
			2,202	2,202

JURIDICA INVESTMENTS LIMITED
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

4. CONTRACTUAL INTERESTS

	Balance at 1 January 2011	Additions	Disposal proceeds	Fair value movement due to effective interest	Fair value movement due to changes in estimated cash flows	Realised (loss) / gain	Balance at 30 June 2011
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Totals	<u>38,800,709</u>	<u>1,210,375</u>	<u>(4,934,008)</u>	<u>6,215,998</u>	<u>(5,527,004)</u>	<u>1,201,793</u>	<u>36,967,863</u>

	Balance at 1 January 2010	Additions	Disposal proceeds	Fair value movement due to effective interest	Fair value movement due to changes in estimated cash flows	Realised (loss) / gain	Balance at 31 December 2010
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Totals	<u>36,080,911</u>	<u>7,322,611</u>	<u>(6,607,268)</u>	<u>8,757,525</u>	<u>(8,024,164)</u>	<u>1,271,094</u>	<u>38,800,709</u>

Contractual interests have been accounted for using the effective interest rate method of calculation. Effective interest rates on these contractual interests range between 3.62 and 139.1 per cent at 30 June 2011 (31 December 2010: between 3.62 and 131.35 per cent). At 30 June 2011, the Company had investments in 13 contractual interests (31 December 2010: 14 contractual interests).

The Group had one contractual interest that came to full settlement during the reporting period and had partial settlements in two contractual interests. In addition, approximately US\$50,000 was received as residual proceeds from an investment that settled in 2009. Total realised profit for the period ended 30 June 2011, based on investment cost (for the fully settled contractual interest) and apportioned investment cost (for the partially settled contractual interest), was US\$2,266,046. Of this amount, US\$591,564 was previously recognised and US\$472,689 is currently recognised as unrealised income through fair value movements due to effective interest rate change and changes in estimated cash flows. A total of US\$1,201,793 is therefore recognised as a net gain for the six month period to 30 June 2011.

Fair value movements of contractual interests are due to amendments in estimated cash flows arising from changes in expectations surrounding each case. Further explanation on fair value movements is found within the "Valuation" section of the Investment Manager's Report.

5. AVAILABLE FOR SALE FINANCIAL ASSETS

	30 June 2011	31 December 2010
	US\$	US\$
Balance at start of the period/year	9,217,177	7,505,521
Additions	7,056,927	1,370,912
Disposal proceeds	-	-
Fair value movement	1,254,257	340,744
Realised gains	-	-
Balance at end of the period/year	<u>17,528,361</u>	<u>9,217,177</u>

The Group's Available for Sale Financial Assets include a holding in Juridica Capital Management Limited ("JCML"). The fair value of the Company's investment in JCML was assessed as at 30 June 2011 to be US\$2,575,963 (31 December 2010: US\$2,575,963). This assessment of JCML is deemed appropriate given its investment in the Group, its level of assets (including intellectual property), and the quality of its income and earnings, based on the minimal change to the circumstances surrounding JCML.

JURIDICA INVESTMENTS LIMITED
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

6. AVAILABLE FOR SALE DEBT SECURITIES

	Balance at 1 January 2011	Drawdown	Repayment	Movement due to effective interest	Fair value movement due to changes in estimated cash flows	Realised gains	Balance at 30 June 2011
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Totals	95,086,748	136,408	-	6,652,789	12,609,540	-	114,485,485

	Balance at 1 January 2010	Drawdown	Repayment	Movement due to effective interest	Fair value movement due to changes in estimated cash flows	Realised gains	Balance at 31 December 2010
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Totals	94,370,855	3,114,827	(383,188)	12,017,971	(14,033,717)	-	95,086,748

Note 13(i) details arrangements between the Company and Fields Sullivan PLLC ("FS"). 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 FS.

Fair value movements of available for sale debt securities are due to amendments in estimated cash flows arising from changes in expectations surrounding each investment. Further explanation on fair value movements is found within the "Valuation" section of the Investment Manager's Report.

7. OTHER RECEIVABLES AND PREPAYMENTS

	30 June 2011	31 December 2010
	US\$	US\$
Loan principal repayment	-	1,500,000
Settlement proceeds	-	2,229,293
Debtors	-	100,551
Prepayments and accrued bank interest	1,287,443	25,799
	1,287,443	3,855,643

8. PUT OPTION

In October 2009, the Company sold 8% of the interest in its subsidiary, Riverbend Investments Limited, to an unaffiliated party (see Note 3). As part of this transaction, the Company issued a put option to the buyer providing him with the ability to sell back the shares to the Company at a value based on a predetermined formula.

The put option has an increasing strike price based on the number of days from the date of sale of the interest until the third anniversary of the date of sale. On the third anniversary of the date of sale, the put option will have a strike price of US\$7,000,000 and will expire on the following day.

The Company has fair valued the strike price of the put option by calculating the present value of its maximum stated value from the third anniversary of the date of sale to 30 June 2011. The resulting amount is reflected on the books as a non-current liability with an offset to equity.

	30 June 2011	31 December 2010
	US\$	US\$
Stated strike price value of put option at expiration date ("Stated Value")	7,000,000	7,000,000
Fair value of Stated Value at end of period/year	2,834,395	3,076,770

JURIDICA INVESTMENTS LIMITED
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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9. CASH AND CASH EQUIVALENTS

	30 June 2011	31 December 2010
	US\$	US\$
Cash at bank	47,759,022	51,802,998

10. OTHER PAYABLES

	30 June 2011	31 December 2010
	US\$	US\$
Audit fees	120,357	218,526
Case additions	2,192,275	632,867
Other creditors	2,005,617	318,109
	4,318,249	1,169,502

11. COMMITMENTS & GUARANTEES

Under the terms of some of its contracts, JIL provides a line of credit to counterparties. As at 30 June 2011, the maximum commitment under these lines of credit was US\$ 10.4 million (31 December 2010: US\$ 12.3 million).

12. 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 exchange rate was applicable as at 30 June 2011.

	Closing rate	
	30 June 2011	31 December 2010
	US\$	US\$
Great Britain pounds (GBP)	1.6053	1.5610

13. RELATED PARTY TRANSACTIONS

Richard Battey, as investor representative, is a director of Juridica Capital Management Limited ("JCML"). The principal of JCML is Richard Fields, who acquired 50,000 Ordinary Shares in the Company (0.0625 per cent equity interest) as reimbursement of 100,000 pounds sterling of pre IPO costs.

(a) Management fee

The Company is managed by JCML, 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.

In the period to 30 June 2011, investment management fees totalling US\$2,220,934 (30 June 2010: US\$2,401,996) were paid to JCML. As at 30 June 2011, there was an investment management fee debtor of US\$1,241,179 (31 December 2010: US\$100,551), representing, principally, a prepayment of the management fee payable for the quarter ended 30 September 2011.

JURIDICA INVESTMENTS LIMITED
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

13. RELATED PARTY TRANSACTIONS (continued)

(b) Investment in Juridica Capital Management Limited

The Company acquired 15 percent of JCML on Admission (see Note 5). 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.

JCML acquired 1.5 million shares in the Company on Admission and 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 Investment Manager.

(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.

As at 30 June 2011, the hurdle rate was not achieved and, therefore, no performance fee was paid or payable for the period (30 June 2010: US\$Nil, 31 December 2010: US\$Nil).

(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 2011, the balance in the trust account was US\$Nil (31 December 2010: US\$Nil).

(e) Turtle Bay Technologies Limited

On 20 November 2008 the Company agreed to provide US\$1.475 million to a US LLC. US\$525,000 of this was paid to Turtle Bay Technologies Limited, a company ultimately owned and controlled by JCML, for services provided by the US LLC to Turtle Bay Technologies Limited.

(f) Eleven Engineering Game Control LLC

In August 2009, the Company agreed to provide US\$817,000 to Eleven Engineering Game Control LLC, a company ultimately owned and controlled by JCML.

(g) Intravisual Inc.

In January 2010, the Company agreed to provide US\$500,000 to Intravisual Inc., a company ultimately owned and controlled by JCML.

(h) Minkus Electronic Display Systems Inc.

In June 2010, the Company agreed to provide US\$250,000 TO Minkus Electronic Display Systems Inc., a company ultimately owned and controlled by JCML.

JURIDICA INVESTMENTS LIMITED
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2011 TO 30 JUNE 2011

13. RELATED PARTY TRANSACTIONS (continued)

(i) Facility agreement and Collateral Account

The Company has entered into a facility agreement (the "Facility") with which it agrees to loan to Fields Sullivan PLLC ("FS") money for funding cases in which FS is to act under a Co-counsel Agreement. The Company expects to enter into loan arrangements with other law firms (which may include other law firms established by the Principals) on terms and conditions similar to those contained in the Facility. The Facility available to FS will be for up to approximately 50 percent of the net proceeds of the capital raised by the Company less any loans made to other law firms.

The Facility will remain outstanding and available until the earlier of (i) the termination of the Management Agreement, (ii) the date on which Richard Fields ceases to own a controlling interest in FS, (iii) the winding up of the Company, (iv) an event of default of the Facility documents, or (v) ten years from Admission. Under the Facility, drawdowns may be requested by FS from time to time up to the maximum principal amount but subject always to approval by the Company in its sole discretion.

No more than US\$10 million may be drawn down in respect of the same case investment, unless otherwise approved by the Company.

(j) Directors' remuneration

	30 June 2011	30 June 2010
	US\$	US\$
Lord Danniell Brennan	118,583	117,653
Richard Battey	47,433	47,061
Kermit Birchfield	50,000	50,000
	216,016	214,714

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

Lord Daniel Brennan has an interest in 416,140 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 US\$139,138, which is to be provided for over the vesting period of the options of 5 years. As at 30 June 2011, a provision of US\$100,507 (31 December 2010: US\$85,876) has been made for these options.

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

(k) 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 (31 December 2010: US\$246,906) and a full provision has been made for this in the financial statements.

14. SEASONALITY

The Company's operations are not affected by seasonality or cyclicity and as such they have no impact on the unaudited condensed consolidated financial statements.

15. SUBSEQUENT EVENTS

In July 2011, the Group was made aware of one ruling that will impact valuations:

A recent trial victory for a patent case included awarded damages at a level that will not provide for any proceeds to the Company. The investment includes a related case in a different jurisdiction which has not yet gone to trial and will not be impacted by the outcome of the recent trial.