

Asia-Pacific

Capital markets - equity

Recommended firms
Tier 1
Allen & Overy Freshfields Bruckhaus Deringer Herbert Smith Simpson Thacher & Bartlett Skadden Arps Slate Meagher & Flom Sullivan & Cromwell
Tier 2
Baker & McKenzie Cleary Gottlieb Steen & Hamilton Clifford Chance Latham & Watkins Linklaters Milbank Tweed Hadley & McCloy Shearman & Sterling Slaughter and May Sidley Austin
Tier 3
Davis Polk & Wardwell Jones Day Malleons Stephen Jaques Morrison & Foerster Norton Rose O'Melveny & Myers Paul Hastings White & Case

Since the subprime crisis hit Asia, many IPOs remain in gestation. Securitisation deals slowed to a trickle outside of Korea and the high-yield market shut down completely.

The capital markets may have slowed for now, but the carrot of Asian growth - and the stick of flagging investment opportunities elsewhere - mean large-scale investment will not be gone for long. As the capital markets slowly recover, straight debt deals will continue to tumble along as all participants re-evaluate risks and prices.

Besides, the slowdown allows for a more measured pace, among lawyers as well as their clients. The "punishingly hellish" pre-credit crunch activity, in the words of one partner, has given way to an environment where lawyers can take the time to create robust financing structures rather than simply rush to market.

And despite the overall reduced pace of transactions going through, the convertible-bond market is steady, especially in China. Says one capital markets practitioner: "There will be work for us now in private deals, equi-

Capital markets - debt

Recommended firms
Tier 1
Allen & Overy Clifford Chance Davis Polk & Wardwell Linklaters Shearman & Sterling
Tier 2
Baker & McKenzie Herbert Smith Latham & Watkins Malleons Stephen Jaques Milbank Tweed Hadley & McCloy Sidley Austin Simpson Thacher & Bartlett Skadden Arps Slate Meagher & Flom
Tier 3
Cleary Gottlieb Steen & Hamilton Freshfields Bruckhaus Deringer Jones Day Lovells Milbank Tweed Hadley & McCloy Morrison & Foerster Norton Rose O'Melveny & Myers Paul Hastings Janofsky & Walker Sullivan & Cromwell White & Case

ty-linked work. And on the equity side, there will be a shift to investment-grade, blue-chip issuers as the middle issuers are now gone."

Allen & Overy

"In the case of Indian transactions, Allen & Overy's work reflects that it is really the dominant international firm in that market," says a client of the firm. "They've done the most deals, they have the most experience, and they're virtually signed up on every panel in the case of financial institutions."

It takes a firm like Allen & Overy to beat the odds of a weak year in the regional capital markets. Its prestigious name and leading cast of practitioners wins it consistent roles in some of the region's most interesting and complex deals. In particular, the firm is praised for its debt capital markets and derivatives and structured finance practices.

There was an evident reduction in IPOs in the past 12 months due to insufficient investor demand and the sale of new debt dropped by nearly half compared to a year

Capital markets - structured finance

Recommended firms
Tier 1
Allen & Overy Linklaters
Tier 2
Clifford Chance Sidley Austin Malleons Stephen Jaques

Capital markets - securitisation

Recommended firms
Tier 1
Linklaters Orrick Herrington & Sutcliffe
Tier 2
Malleons Stephen Jaques

earlier. But these challenging market conditions did not mire the optimism of Allen & Overy's team, which has been busy in every key market. Notably, it has also gained prominence in the field of high-yield and innovative hybrid tier I and II transactions. Clients pick out Catherine Husted as one of the firm's specialists in warrants, structured products and notes.

A crown deal for the firm was in acting for UBS as underwriter on the IPO of Pepsi-Cola Products in the Philippines and it also represented the Republic of the Philippines on its issuance of debt exchange warrants valued at \$2 billion. Other regional work includes advising the underwriters in the maiden international offering of \$500 million bonds due 2021 for the Democratic Socialist Republic of Sri Lanka.

Baker & McKenzie

The ubiquitous Baker & McKenzie wins a solid second-tier ranking in both debt and equity capital markets, particularly drawing

plaudits for its work in southeast Asia. Although some have claimed the firm's business structure does not allow for the regional consistency of some of its international rivals, its portfolio of deals speaks loudly and clearly that it is a strong contender in all practice areas across all markets. With leading capital markets practices in nearly every jurisdiction, the firm is one of the few with a true regional spread.

Baker & McKenzie was able to score roles in two of the region's highest-profile transactions. The firm offered advice to China Railway Construction Corporation on its public offering of H-shares to be listed on the HKSE, which was to date the largest IPO this year. In Indonesia, it recently represented Adaro energy on its \$1.3 billion IPO, the largest-ever in the country's history. "Baker & McKenzie are very good and able to coordinate very well between all their Asian offices," says one client. "Their advice is very considerate and thorough."

Regional clients also single out Scott Clemens of the firm's Beijing office for praise: "I would say he's very solid, technically and he's very easy to work with," says one. "He's creative in terms of coming up with solution to help clients solve problems and he thinks from the client's perspective."

Cleary Gottlieb Steen & Hamilton

Cleary Gottlieb Steen & Hamilton has won mandates on several of the region's biggest, most complex deals this year. It has a strong equity-focused practice which has acted on cornerstone deals from India to China to South Korea. Cleary also has a notable distressed-debt capability: "The firm has a vast amount of knowledge and expertise with high-yield products," says a client.

In one crown deal for the firm, the team represented the underwriters in Reliance Power's IPO on the Bombay Stock Exchange and the National Stock Exchange of India. This \$2.93 billion offering was a highlight deal for the firm, being the largest IPO in Indian history. Samsung Card sought the firm's counsel in its \$619 million common stock IPO, yet another hallmark deal for Cleary's team as it was the first time a Korean company had made an offering on the Korea Exchange with a tranche of common shares being made available internationally to foreign investors. The deal is the result of a change to listing rules by the country's Financial Supervisory Service, which aims to stimulate foreign investment.

Other highlights were in representing the underwriters in the SEC-registered IPO of China solar wafer manufacturer LDK Solar

Co via ADRs on the NYSE, and servicing Tata Steel in its \$2.3 billion rights offering of equity shares and cumulative convertible preference shares.

Clifford Chance

"The Clifford Chance team is a very, very good one to work with," says a client. "Even if I have an urgent matter to talk to them about, they are very responsive. If I have a difficult technical question, they are quick to give me practical and sharp advice." Another adds: "They're all experienced at the partner level. That does provide us with a tremendous amount of comfort."

Boasting a strong debt capital markets practice, the firm has been involved in several important transactions in the market, despite the relative quiet of the high-yield market and other areas of debt finance. The team advised on a number of equity-linked deals and IPOs by Malaysian and Indonesian corporates, including the largest exchangeable bond out of Malaysia in the country's history. Other examples of Clifford Chance's highlights include advising Macquarie Securities in the Singapore IPO of Mermaid Maritime Public Company and picking up a key mandate in the issuance of the world's first exchangeable Islamic bond.

"We think Alex Lloyd is terrific and we're always happy to get him involved in transactions. The other we like is Connie Heng, she's very good at structured transactions in the PRC," says a client.

Davis Polk & Wardwell

Davis Polk & Wardwell has many leading practitioners in Asia, including William Barron, Eugene Gregor and Howard Zhang.

"Eugene and Bill [Barron] are first-class practitioners," says a regional client of the firm. "They've been in Asia for a long time and they are experienced senior partners. They get personally involved in the matters they deal with and we have no hesitation calling them with queries. We always get a response instead of getting fobbed off to associates."

Another client says of Barron: "He is one of the finest in the market, with an immense amount of expertise."

The firm's strong relationship with Morgan Stanley served it well this year. The investment bank mandated Davis Polk to advise it as sole bookrunning manager, as well as Piper Jaffray & Co as co-lead manager, on an offering by Solarfun Power Holdings of \$150 million 3.5% convertible notes due 2018. Concurrently, the team represented Morgan Stanley again as the sole underwriter

in the SEC-registered offering of nine million Solarfun ADSs at a price of \$15 per share.

On the equity capital markets side Davis Polk & Wardwell has had a number of notable deals. In one, the firm advised Morgan Stanley and ICEA Capital as the international underwriters of a \$670 million global offering by KWG Property Holdings.

"We have a great relationship with Eugene Gregor in Japan," says a client. "In terms of quality, timeliness, experience and willingness to provide advice to us on the phone at no cost, and genuine expertise, it's very hard to go past Davis Polk."

Freshfields Bruckhaus Deringer

"Freshfields doesn't just know the rules in the law book, they have actual practical experience in dealing with the SFC and stock exchange. I think the good thing is that their advice is very precise," says a client of the firm. "As in-house, I don't like external counsel who sit on the fence too much. I think they are confident enough with themselves to be in the position to give quite precise advice."

In the pivotal Hong Kong and China markets, Freshfields Bruckhaus Deringer is among the leading equity practices. With a powerhouse team led by IPO specialist Teresa Ko, Freshfields Bruckhaus Deringer stamps a large and deep regional footprint. Though not as visible on the debt side, the firm wins enough work in the equity capital markets to keep it running into overtime.

"I'm a big fan of Antony Dapiran. He's had a lot of expertise, he's worked on some of the biggest Chinese IPOs and is immensely talented," says a client of the newly-promoted partner, adding: "He's also just a very helpful and friendly guy." Ko also receives many compliments from clients: "She was very competent, timely, accurate and accessible, all the things you want from a top-quality business lawyer. She finds the right balance between what is legally required and what is necessary from a business point of view."

Alibaba.com enlisted the firm on its \$1.7 billion IPO on the HKSE in late 2007. In another marquee listing, Ko led the team that advised Soho China on its \$1.9 billion Hong Kong IPO and listing on the HKSE, the largest property IPO in the region's history excluding Japan. Chris Wong steered the team that advised the underwriters in the \$2.34 billion IPO of China Railway Construction Corporation, and Ko and Clive Rough advised several banks in the record-breaking HK\$11.7 billion (\$1.5 billion) convertible bond issue by Sinopec.

"They set out different sides of the stories but at the end of it they give us their view of what we should do. I think that conclusion is

very important,” said one client. “And also they have a lot of experience dealing with regulators, so they could tell us beforehand what the SFC or stock exchange’s likely response to our application would be. We can draw on their experience so we’re not moving in the dark.”

Herbert Smith

“Besides his expertise and knowledge, John Moore used to work for an investment bank so he is very familiar with issues with what investment banks want,” says a financial-sector client. “Herbert Smith also has a deep bench, a large amount of resources and many different areas of expertise.”

The UK firm has made strong headway in recent years, and is listed in the top tier of the coveted equity capital markets ranking. Herbert Smith retains a large proportion of the region’s top talent, and has been won a number of key mandates over the past year. In an example highlight deal, the team advised ICBC on its \$21.9 billion flotation as the first company to list simultaneously on the HKSE and the Shanghai Stock Exchange. Other IPOs include the HK\$2.7 billion Maoye offering on the HKSE, the \$1.3 billion offering by Sinotruk, and the \$1.8 billion offering of Sino-Ocean Land Holdings.

The firm was also recently mandated to advise the G-12 Group of investment banks in relation to the HKSE consultation paper on proposed changes to listing rules. It is a favourite of the investment banks and maintains institutional relationships with many.

“I like Matt Emsley, John Moore and Ken Roy,” says one client of Herbert Smith. “Given John’s background as in-house for so many years, he understands my needs and is extremely helpful on the US side of things, which many other firms aren’t qualified to do. Matt is just a great lawyer generally.”

Latham & Watkins

Latham & Watkins’ high-powered capital markets team was involved in some of the region’s top deals this year, including ICICI bank’s \$2.46 billion IPO. “Working with them is a superb experience. They are a very experienced firm and have made a substantial contribution to our recent IPO,” says a client.

The team was integral in the largest US IPO by an Indian company, advising Sterlite Industries on its \$2 billion offering in the form of ADSs on the NYSE. Latham & Watkins was also instructed by ICICI Bank to represent the joint bookrunners on the \$2 billion bond offering that was listed on the Singapore Exchange. The firm is not only focused on the Greater China region, but has

also been active in Malaysia, Thailand, Korea and the Philippines to name a few.

The firm has been growing its Asia-based teams and this signals both the firm’s level of activity and its objective of capturing an even greater market share in this competitive market. Singapore partner Michael Sturrock wins many positive reviews from clients. Says one: “He’s been working for us since we came out here so he knows the way we work. He’s able to deliver to us a service which I would describe as banker-friendly, but he’s also very cognisant of what we need from a legal perspective so he’s able to marry the two considerations.”

Linklaters

“Linklaters has *the* standout capital markets practice in Asia,” says one client of the firm. “This includes securitisation, even though that’s a dirty word these days, and that probably makes them the number one practice in Asia.”

Apart from a visibility dip this year in the equity capital markets, Linklaters is still the firm to beat in the regional capital markets. Its assemblage of top legal names has attracted a flock of clients to the firm for involvement in an array of Asia’s most innovative and complex deals.

“Teresa Ma is my favourite, and on the convertible bonds side it’s Nigel Pridemore,” says a client. “He has done more on convertible bonds and equity-linked instruments than any other counsel in the region. He has a sense of history of how these things work which makes him very effective. It’s just the confidence they give you in their replies. They know their stuff and it’s very upfront and clear where you stand.”

Linklaters advised the trustee on the issuance of a €280 million convertible bond and bonds with non-detachable warrants by Taihan Electric Wire. The firm’s reputation for excellence also won it roles in four of the 10 Asian high-yield debt deals completed in the latter part of 2007 after the subprime crisis stalled the market. In the equity capital markets, Linklaters represented China Railway in its \$5.5 billion IPO on the HKSE and Shanghai Stock Exchange.

Singling out more of the team’s practitioners, another client says: “Paul Chow and Celia Lam are both fantastic with a very good knowledge of the PRC market. I also deal a lot with Jeremy Webb, he does so many convertible bonds that he can effectively execute a deal. He understands the issues in the market.”

In securitisation and structured finance, Linklaters stands alone as the only firm to be rooted in the top tier for both areas. The team

won the *International Financial Law Review’s* award for the Asian securitisation team of the year in 2008, having played a lead role in the \$3 billion Sealane synthetic CLO of Standard Chartered’s trade finance receivables.

“Chong Liew is one of the most technical lawyers I’ve ever met. He understands derivatives back to front and is probably one of the best derivatives lawyers I’ve ever dealt with,” says a client of the firm’s Asia (ex-Japan) head of derivatives and structured products. “Also he is extremely strong in his knowledge of PRC law, specifically QDII [qualified domestic institutional investor] products and QFII [qualified foreign institutional investor] products. He really stands out in my mind.”

Mallesons Stephen Jaques

Who ever thought an Australian firm would ascend into the top ranks with one of the region’s strongest all-round capital markets practices? Mallesons Stephen Jaques has experienced a surge of growth recently, bolstered by client demand for its expert services and competitive fees. Says one client: “We’ll get some good personal service at a reasonable price. Plus the actual quality of what’s provided is very high. Richard Mazzochi is someone we’d definitely be more than happy to use for the right transaction.”

Although still a fledgling practice for big-ticket deals, the firm is steadily acquiring a loyal base of clients, who are impressed by the firm’s quality and consistency. Its securitisation and structured finance practice sets Mallesons apart from many larger, more-established firms, which have channelled their resources elsewhere.

In one key deal, the Mallesons team acted for UBS as lead arranger of a Rmb330 million (\$48 million) US dollar-settled 1% convertible bond issuance due 2012. Richard Mazzochi led the team that advised ABN Amro in connection to an issuance of \$250 million zero-coupon secured exchangeable bonds by a Hong Kong-listed company. Additionally, the firm represented Hidili Industry Development on its \$525 million IPO and listing on the HKSE. Mallesons boasts a premier aircraft securitisation practice in Asia, led by specialist Adrienne Showering.

“Richard Mazzochi and Minny Siu have been exceptionally good to work with,” says a client of the firm. “They are very responsive and technically very reliable. The sorts of responses we’ve had with them to our technical questions have been practical and persuasive.”

Milbank Tweed Hadley & McCloy

“They’re great at Milbank,” says a client. “I think they give the right balance of advice and objectivity, are very ethical and produce quality work. They’re probably in our tier one.”

Milbank Tweed Hadley & McCloy has four of the region’s leading capital markets practitioners: Anthony Root, Weiheng Chen, Joshua Zimmerman and David Zemans. Asserting its strong presence in the second tier in both debt and equity capital markets, the firm blazes a trail through key jurisdictions such as China, Singapore, Indonesia, Japan and India. Says one client: “I can’t say anything but that Anthony Root is one of the finest lawyers I’ve ever worked with - possibly one of the best in Asia.”

The firm has acted on a number of listings on leading Asian exchanges as well as overseas on the NYSE and Nasdaq. For example, it represented UBS on the \$250 million IPO of Hap Seng plantations, the largest offering in Malaysia in 2007. The media-spotlighted Tata Steel rights offering and cumulative compulsory convertible preference share issuance featured Root, who represented the lead managers. In another standout deal, the firm represented Citigroup and Barclays on the \$500 million maiden sovereign bond offering by the Republic of Sri Lanka.

“We like them a lot; we use David Zemans and Naomi Ishikawa, they’re our primary go-to people. David is very strong on structured capital raisings, particularly Indonesia and Naomi very strong on the real, pure capital markets work,” says one client, adding: “I would describe Milbank as having very strong and consistent quality, hard working, responsive and available.”

A Milbank team was summoned by UBS to advise on the \$337 million IPO by Indonesian coal mining company PT Indo Tambangraya Megah. In another key deal for the firm, it represented Citigroup and Barclays on the \$500 million maiden sovereign bond offering by the Republic of Sri Lanka.

Orrick Herrington & Sutcliffe

Under the capable watch of leading lawyer Michelle Taylor, Orrick Herrington & Sutcliffe’s Asian securitisation team is one of the leading firms with a specialisation in the practice area. Says one client: “Michelle Taylor is probably one of the best - if not the best - doing real-estate securitisation in the region.”

Taylor led the team on some highly innovative transactions that managed to reach completion despite the market lockdown in the wake of the credit crunch. The high quality and speed of these deals’ execution demonstrates why clients turn to the firm.

Last year, the team acted for Standard Chartered Bank as arranger, lead manager and swap counterparty and HSBC as note trustee on the \$1.29 billion securitisation of a portfolio of residential mortgage loans originated by Standard Chartered First Bank Korea. This was, at the time, the largest securitisation transaction in Asia, was completed in 10 weeks, and was the first unwrapped cross-border RMBS from Korea.

“They understand the market and have been doing this for a long time, says a client of Orrick. “They have enough people to go through the documents, local counsel, issuers and bankers to tie it all up within a reasonable amount of time.”

The client reserved particular praise for Michelle Taylor: “Without a doubt, it starts with Michelle and comes down to her. She’s grown up with this market, knows the clients extremely well, she understands why clients tend to be unreasonable and can work around it. And in Korea, she’s gone through the Korean ABS Act many, many times on a variety of assets.”

Shearman & Sterling

Few lawyers in the market can match the longstanding expertise and talent of Shearman & Sterling’s Asia managing partner, Matthew Bersani. He and Hong Kong partner Won Lee attract a torrent of praise by clients and peers, putting Shearman & Sterling at the top of the market for both debt and equity work.

“Matt Bersani is very, very good and Won Lee is excellent. They tend to have pretty good junior staffing as well. They are very responsive and they have very good technical skills,” comments a client. “We look to them to get our most difficult and complex transactions done, the ones we view as being very critical. They’ve done an excellent job on everything they’ve done for us.”

One of the highlight IPOs for the firm last year was in its representation of Mercator Lines on its \$141 million offering on the Singapore Exchange. In addition, the underwriters hired the firm in the Giant Interactive Group’s \$1 billion IPO on the NYSE. The firm’s client roster includes numerous leading global banks such as Morgan Stanley, Citigroup and UBS.

Lee spearheaded the team that was counsel to the initial purchasers in connection with the offering by Hong Long Holdings of 900 units consisting of \$90 million senior notes and 81 million warrants.

“We’ve had very good experience this year in terms of quality of service from Shearman & Sterling. Won Lee is very good and he’s ably supported by a pretty good group of associates,” says a client of the firm.

Sidley Austin

“For bonds, high-yield bonds and convertible bonds on the debt market, we definitely go to Sidley Austin,” says a client. “They are the expert in that market and they are very capable, professional and also very technically strong. More importantly, they can explore all the possibilities to give you the best solution.”

Constance Choy and Matthew Sheridan are two of the firm’s standout partners in Asia; Choy and Sheridan fortify a strong capital markets team that has managed to attract roles in a number of highlight deals. “Regarding Matthew, he really worked around the clock for us.” In particular, the client praises Sheridan’s combination of commercial and technical insight.

Sidley Austin’s practice is widely viewed by the market as being slightly stronger on the debt capital markets side, but has had a good run on the equity capital markets track as well.

Sheridan and Jason Elder led the team that represented the initial purchasers in relation to the issuance by Indo Integrated Energy of its \$250 million 8.5% senior notes due 2012. The prowess of the team is highlighted in its creation of a unique structure that used high-yield covenants to capture the dividend stream from the minority-owned coal asset.

Resident IPO specialists Timothy Li and Gloria Lam represented Sinotruk, a state-owned red-chip company, on its \$1.16 billion IPO. Li also led the team acting for LDK Solar’s \$469 million IPO on the NYSE. Finally, Sheridan and Choy worked for Country Garden on its \$600 million convertible bond offering listed on the Singapore Exchange.

Simpson Thacher & Bartlett

Some may be surprised at Simpson Thacher & Bartlett’s recent publicity drive for its capital markets practice, but the clamour is not without reason. The expanding, high-end firm has silenced naysayers who have pegged the firm as a private-equity practice by acting on some of the market’s most notable transactions this year.

The firm’s capital markets team, helmed by the widely-acclaimed Leiming Chen and Chris Lin, completed 24 offerings in 2007 raising an aggregate \$14.5 billion. These comprised seven US IPOs, six Hong Kong IPOs, 7 SEC-registered follow-on offerings and 4 convertible bond and straight debt offerings. Representative deals included Alibaba.com’s \$1.7 billion Hong Kong IPO, China Railway’s \$2.8 billion Hong Kong IPO, Country Garden’s \$1.9 billion Hong Kong IPO and Yingli Green Energy’s \$320 million IPO in New York.

Skadden Arps Slate Meagher & Flom

“Skadden is quite good when you need both Hong Kong and US counsel,” says a client of the firm. “Dominic [Tsun] is very effective when it comes to Hong Kong issues; he thinks through stuff quite well. Alec [Chang] is very hands-on and has a good business sense. These guys are pretty good on the execution side too. I’d like to use them more.”

Skadden Arps Meagher & Flom’s hire from Linklaters of leading lawyer Dominic Tsun in 2005 raised the firm’s profile, leading one competitor to lament: “We should have gotten him when we had the chance.” The firm has gained a strong reputation in Asia since Tsun’s arrival, and Skadden’s capital markets team is recognised by the market as one of the best in the market.

The firm’s deal list is exhaustive in quality and volume, trumpeting the practice’s strengths and expertise. One highlight was Skadden’s role advising China Citic Bank in its \$5.9 billion dual-listed IPO on the HKSE and Shanghai Stock Exchange. The team was integral in the Soho China \$1.9 billion IPO, advising the joint global coordinators. In the developing markets, Skadden advised Filinvest Land in its \$203 million follow-on offering of common shares listed on the Philippine Stock Exchange.

Slaughter and May

“Those at Slaughter and May are all very able lawyers. The Slaughters way is they tend to have people who can move seamlessly through different departments; lawyers who tend to roll up their sleeves and do everything,” says a client of the firm. “We get them to do a lot of converts, IPOs, M&A and advisory type of work. They have a very strong Hong Kong practice.”

Boasting a relatively small team of talented “multi-specialists”, Slaughter and May has consistently demonstrated to the market that size doesn’t matter. The firm has very strong relationships with many leading international banks. Partners Benita Yu and Richard Thornhill attract frequent praise from clients: “Benita Yu is very good, one of the best. She’s got excellent technical skills,” says one client, adding: “Richard Thornhill has great relationships with the Hong Kong corporates and in terms of technical issues; he’s definitely one of the better lawyers in the market.”

With an emphasis on taking on high-quality, cutting-edge and interesting transactions, the firm has been present on several of the market’s leading deals in terms of size and complexity. On the other hand, this results in a lower volume of completed deals than some of the firm’s bigger competitors.

One notable example of the firm’s deals was advising the joint global coordinators and the joint bookrunners on the \$1.7 billion global offering of Alibaba.com and in the \$1.5 billion IPO of Fosun International. The Slaughter and May team additionally acted for Hong Kong’s MTR Corporation on updating its \$3 billion debt issuance programme.

Sullivan & Cromwell

Sullivan & Cromwell’s capital markets team has had a remarkable year, seizing some of the biggest mandates in the region. Its possession of some of the market’s brightest talent partially defines the success of the firm. Partners Wei Chun, John Young and William Chua consistently win compliments from all participants in the market.

“For the big mega-deals, we like Sullivan & Cromwell because it has more resources than others to turn to on complex issues, like tax or US banking. We are able to draw upon their resources in New York, which is something we look for,” says a client of the firm.

Another adds: “For the very large registered deals, selling to the US public, typically we would use Sullivan & Cromwell.”

The team acted for the issuers and underwriters in the IPOs of Alibaba.com, China Nepstar Chain Drugstore, China Digital TV Holding and Yingli Green Energy Holding Company to name a few. In the debt capital markets, Sullivan & Cromwell acted on numerous innovative deals such as representing Tata Motors in relation to its \$490 million Regulation S offering of convertible securities.

In a highlight role at the end of last year, amid the global controversy surrounding sovereign wealth fund activity, Sullivan & Cromwell advised sovereign wealth fund China Investment Corporation in its investment in a \$5.6 billion stake in Morgan Stanley. The firm advised its client in relation to the purchase of Morgan Stanley’s privately-placed hybrid securities.

Banking

Recommended firms

Tier 1

Allen & Overy
Clifford Chance
Linklaters

Tier 2

Mallesons Stephen Jaques
Sidley Austin
White & Case

Tier 3

Baker & McKenzie
Freshfields Bruckhaus Deringer
Herbert Smith
Lovells

Tier 4

Latham & Watkins
Milbank Tweed Hadley & McCloy
Norton Rose
Paul Hastings Janofsky & Walker
Shearman & Sterling

Banks in Asia have not been hit nearly as hard by the credit crunch as their counterparts in the US and Europe: liquidity remains high in most of the region, even if the atmosphere is one of caution.

But this trepidation is tinged with the joyful anticipation that has come to characterise the Asian market since its emergence from the financial crisis of 1997. “It is definitely quieter than what we’d like to see but right now we just have to wait. There’s so much potential,” says one market commentator.

Even during a quiet phase, the market is far from dead. Lawyers in the region say it is simply moving away from traditional models to accommodate new players in the region such as hedge funds and private-equity houses. Pre-IPO financing has been on the upswing despite a large number of stalled offerings. “These will keep everyone busy,” says one lawyer.

Leveraged financing has been tipped to take off on a regional level in recent years, but many in the market feel that this boom is still at least another year off - not only due to the credit crisis but also because of Asia’s rigid regulatory structures and restrictions on offshore lending.

Most Asian lawyers are confident that activity will pick up later this year, but in the meantime there is plenty of volume work to keep the finance lawyers at their desks. “It’s been busy; we’re still getting deals,” says one partner. “There are less sole underwriting deals, and they tend to be smaller, but there is work to be done.”

Allen & Overy

Allen & Overy has a significant presence in the regional banking market. Joseph Tse, Aled Davies and Thomas Brown continue are three of the leading names in the region's financial law market. "They have a good grasp of key relevant issues for onshore and offshore transactions and the interaction between the two, which is critical," notes one client.

The firm's long-standing presence in the region and visibility in the southeast Asian banking market squarely plant the firm in the top tier. Allen & Overy has won a number of interesting and noteworthy mandates from all the prominent investment banks including Morgan Stanley, Citigroup, Credit Suisse and Goldman Sachs.

In acquisition finance, the firm acted on two of the biggest deals this year. Allen & Overy advised Indian car manufacturer Tata in its high-profile acquisition of luxury UK car brands Land Rover and Jaguar. Thomas Brown led a team that advised the eight mandated lead arrangers in the \$3 billion debt financing to support the Indian company's buyout.

Clients are particularly impressed by Nicholas Crossin: "I hold him in high regard," says one. "He is efficient, commercial and provides balanced legal advice. Especially, he is able to herd a group of lenders towards focused discussions that result in getting the required commercial input." Another client is more succinct: "He cuts through the crap and hits the nail on what the issues are."

Clifford Chance

"They really understand what we need and basically draft documents to protect our business rights," says a client of Clifford Chance's banking department. "They're also good in terms of helping to negotiate with the other side and they are very professional."

Clients say that the firm's strong teams and offices in across the region give it an edge in the market. "They have a wide scope to their practice which is very helpful for me when carrying out cross-border deals. Their local knowledge is excellent," comments one client.

In one important deal, the team advised Barclays Capital on the \$950 million one-year bridge loan to Tata Power. Huw Jenkins - one of the region's leading practitioners - and his team represented private-equity firm CVC on its \$210 million LBO of the Malaysian paper and packaging business of Genting.

Another of Clifford Chance's top deals of the year was advising the lead arrangers on the \$1.75 billion debt financing of the City of Dreams hotel, resort and gaming project in Macau. The transaction was particularly note-

worthy as it was the largest pure Asian project and syndicated deal ever completed.

In southeast Asia, a Clifford Chance team led by Andrew Gambarini served as counsel to the arrangers in the \$1.2 billion financing for the San Miguel Corporation in one of the largest financings to date in the Philippines.

Hong Kong rising star Anthony Wang is praised by clients. Says one: "He has a very high-speed turnaround and does impeccable drafting in a very short amount of time."

Linklaters

"Trevor Clark at Linklaters is excellent. He is technically very strong and is very commercial," says a client of one of the co-heads of Linklaters' banking and projects practice in Asia.

Linklaters is a staple brand name of banking legal services in the region, and earns a top-tier position for regional finance work. The firm possesses a reach that spreads out across 10 markets, giving it a strong cross-regional coverage. Clients are clearly impressed, which is why the firm can boast of being on every prominent banking panel in the region.

One of Linklaters' highlights this year was its role advising Standard Chartered Bank on \$825 million loan facilities to India's Tata Chemicals in its acquisition of General Chemical Industrial Products. The firm backed this up to represent United Spirits on its £595 million acquisition of the Whyte & Mackay Group.

"Linklaters are steadily building up their practice and they offer what we really look for, which is breadth," says one client. "At the end of the day, we want to be sure there are sufficient resources that can cover our needs."

Mallesons Stephen Jaques

Market observers' respect for this Australian firm steadily increases as it ascends the ranks, achieving a loyal following based on its reasonable fee structures and retention of some of the best talent in Asian banking law.

Steven Christopher is universally praised by rivals and clients as a quality practitioner who has been in the market for a long time. "He's very good on the finance side. He understands the documents very well and he's very good in helping to negotiate with the banks. He's strong at the table," says one client.

Mallesons also hired renowned finance specialist Alex Regan from Paul Hastings, while Minny Siu was promoted to the partnership earlier this year. Says one client of Siu: "Minny's expertise is substantially over and above a lot of the other partners I've dealt

with, with respect to Hong Kong regulatory matters." The client adds: "She can probably quote the rules offhand without having them in front of her. She knows her Hong Kong legal nuances inside-out."

One of the strongest mandates the firm won in the region over the past year was advising Credit Suisse in Singapore on the provision of a \$10 million subordinated convertible loan to Golomt Bank of Mongolia. Christopher also led a team on the Islamic refinancing of the Courts/Mammoth LBO, and advised a luxury hotel group on its HK\$3.5 billion (\$448 million) syndicated borrowing.

The Hong Kong duo of Richard Mazzochi and Minny Siu led a number of transactions this year including advising a local bank in the establishment of a structured deposit program and representing a number of investment banks on qualified domestic institutional investor-related issues in China.

"Richard is one of the most commercial lawyers I've ever met. He stands back from the transaction and he understands the basis of the deal, but then is able to put it into a commercial scenario," says a client. "It's almost as though he's worked in-house before. He is the guy who can stand back and look at everything and suggest: 'Why don't we do it this way?'"

Sidley Austin

Sidley Austin had a fine year in this market with its Singapore and Hong Kong teams winning roles on a number of notable deals around the region. In Hong Kong, partner Balbir Bindra and consultants Samuel Chau and Ben Hur add considerable expertise to the firm's Asia banking practice.

The beginning of this year saw the team lose a key member - former Singapore managing partner Tod Eddy - to its Los Angeles office. The practice however did receive a boost by the transfer of partner and finance specialist Partha Pal from its London office to Singapore.

"Sidley Austin has done a very good job. We are most comfortable with them," says a client. "They were referred to us by different investment banks and after using them, we feel their reputation is worth that"

In one notable deal, Sidley acted for PT Indosat TBK in the \$229 million financing for the construction and launch of the Palapa-D satellite. The financing was arranged by HSBC and was made available through two export credit facilities and a third commercial credit facility.

Goldman Sachs Credit Partners also sought Sidley's counsel for its role as lead

arranger for a \$265 million structured mezzanine financing for PT Adaro Indonesia.

"We have been approached by different US investment banks and they always point to Sidley," says a client of the firm. "They are really professional and capable."

White & Case

"John Hartley is really, really great. He is one guy who is very hands-on and he always knows the case progress in terms of what options are still available. I would trust him with anything we're working on," says one client of White & Case's recent Hong Kong hire from Lovells.

White & Case's deals span the region, with Singapore a key jurisdiction for the US firm. Singapore partner Bertie Mehigan is praised by the market, as is Chen Guan Feng, who transferred to Hong Kong in summer 2008. "What I like about him is that he's very commercial," says one client of Feng. "He's a very smart lawyer in terms that he knows the law very well and balances it up with commercial risk and commercial elements."

A marquee deal for the firm was its role in arguably the largest public-to-private LBO financing transaction in Singapore. White & Case represented the lead arrangers in the \$600 million credit facility provided by a syndicate of lenders to MMI International, a KKR fund-formed Labuan company, to purchase computer parts manufacturer MMI Holdings.

The firm also advised China Development Bank on many domestic and cross-border financings, which last year alone amounted to \$5 billion. Another notable deal for White & Case's practice was the \$750 million phase two loan to Hynix-ST semiconductors to finance the expansion of its wafer production line in Wuxi, China.

The consistent quality of deal execution is appreciated by clients: "Usually lawyers get in the way of a deal, but in my experiences with White & Case, they are not deal stoppers, but deal facilitators," says one client. "They are willing to be very commercial and offer great advice on legal risk. I am very comfortable with using them."

Mergers and acquisitions

Recommended firms

Tier 1

Clifford Chance
Freshfields Bruckhaus Deringer
Linklaters
Skadden Arps Slate Meagher & Flom

Tier 2

Allen & Overy
Herbert Smith
Latham & Watkins
Shearman & Sterling
Simpson Thacher & Bartlett
Slaughter and May
Sullivan & Cromwell

Tier 3

Baker & McKenzie
Cleary Gottlieb Steen & Hamilton
Davis Polk & Wardwell
Jones Day
Lovells
Mallesons Stephen Jaques
Milbank Tweed Hadley & McCloy
Norton Rose
Paul Hastings Janofsky & Walker
Paul Weiss Rifkind Wharton & Garrison
Sidley Austin
White & Case

Private equity

Recommended firms

Tier 1

Cleary Gottlieb Steen & Hamilton
Clifford Chance
Paul Weiss Rifkind Wharton & Garrison
Simpson Thacher & Bartlett

Tier 2

Herbert Smith
Latham & Watkins
Morrison & Foerster
O'Melveny & Myers
Skadden Arps Slate Meagher & Flom

It has been a busy year for M&A practices, driven by the growth of India and China and their restlessness in seeking outbound investments. Tata's foreign acquisitions and the Vodafone-Hutchison Essar transaction have been the shining lights, while privatisations and takeovers such as the Toll-Baltrans deal and Kerry Media's acquisition of the publisher of the *South China Morning Post* in Hong Kong have kept many corporate departments busy.

As listed companies experience a lull in market prices, the expectation gap between them and investors narrows, and buyers are becoming more active and competitive for

targets. As one partner puts it: "M&A gets better in recessionary times."

Private equity has been steadily developing in Asia, and many private-equity houses and funds, including sovereign wealth players, are venturing further and further into the region. There has also been a greater regionalisation of the Asian market, with banks and sponsors relocating many resources to Hong Kong as part of their China strategy. As the market develops, so does the need for sophisticated legal services - great news for those firms with dedicated Asian corporate practices.

Allen & Overy

"Allen & Overy has demonstrated good experience, but beyond that it's a question of driving the transaction and making ground quickly," says one client of the firm. "I think it's helpful to steer through and navigate a document and be able to close it up in good time. They've demonstrated this."

Allen & Overy's practice has a reputation as one of the region's most trusted names for M&A transactions. Clients appreciate the firm's experience across the region. "The firm is very knowledgeable about deals in the marketplace. They have quite a bit of experience in the China market," says a client. "They've been there for quite a while so they're quite plugged in."

Simon Black and Chris Swift command respect from peers and clients. Simon Berry in Beijing is also well-respected by clients: "Simon has a very good breadth of knowledge and he's involved in many different areas. He knows about derivatives, about M&A - it's difficult to find a person like him, he's very impressive," says one client.

One of the firm's highlights was advising ABN Amro on its acquisition of a controlling interest in ATV. The firm backed this up to advise Tom Online on its successful Nasdaq-Hong Kong-listed privatisation by a scheme of arrangement and delisting.

The firm has continued advising Kowloon-Canton Railway Corporation on its HK\$12 billion (\$1.54 billion) merger with MTR Corporation in Hong Kong - a deal which was significant to the local market and gained much media attention.

"We work them all pretty hard and they always come through," says one client of the firm.

Cleary Gottlieb Steen & Hamilton

Boasting an impressive clientele of sovereign wealth funds (SWFs) and the leading global private-equity houses, Cleary Gottlieb Steen

& Hamilton is highly sought-after in Asia, particularly in South Korea.

As one of the first US firms to set up shop in Hong Kong in 1980, the firm has successfully carved out this niche practice and developed its brand name to private investors as a private-equity specialist. "They do fewer deals, but they're tough ones and they execute them really well," says one competitor.

Clery played the integral role advising Temasek, a Singaporean SWF, on its \$5 billion investment in Merrill Lynch, and also represented KIC, a Korean SWF, in its \$2 billion investment in Merrill Lynch via a 9% investment in mandatory convertible preferred stock.

The firm is a regular counsel to Texas Pacific Group (TPG), acting on its acquisition of 71.6% of the outstanding shares of PT Bank Tabungan Pensiunan Nasional in Indonesia. Clery was again mandated on TPG's \$220 million investment in two tranches in Guanghui Automobile Services, and in TPG's sale of shares of the Lenovo Group in a block trade.

Clifford Chance

"The guys at Clifford Chance are very responsive. They're all experienced at the partner level - that does provide us with a tremendous amount of comfort," says one client. "They have proven track records and can address our considerations."

Led by the highly-regarded Roger Denny, Clifford Chance's M&A team has experienced one of its busiest years in recent times, scooping *International Financial Law Review's* 2008 award for the Asian M&A team of the year on the way.

Andrew Whan deserves special mention as a leading figure in the private-equity market, where he has cemented a solid relationship with the very active CVC Asia Pacific, and counts Permira and 3i as key clients.

Clifford Chance was involved in some of the most prominent deals in the region, including the sale of a 25% equity stake in Maxis Communications to Saudi Telecom, Jasper Investments' acquisition of a stake in Neptune Marine Oil, Chinalco's acquisition of a stake in Rio Tinto and ING Group's acquisition of a stake in Thailand's TMB Bank.

"We were very comfy with the skill-set of the Clifford Chance team," says one client. "They had the resources they needed to have at the various pressure points in the transaction, but at the same time didn't over-serve us with things we didn't need, and were very pragmatic with jurisdictional advice. I found this very refreshing and helpful."

Freshfields Bruckhaus Deringer

Despite its relative lack of reach Asia-wide, Freshfields keeps buoyant as a leading M&A firm thanks to its formidable China practice. Prominent practitioner Robert Ashworth heads up the corporate practice, which successfully advised on a number of the market's most interesting and complex transactions.

"I was very impressed with him," says a client of Ashworth. "I think he is a very commercial lawyer who understands the commercial objective behind a client's proposal. Even if it's not right on, he will be able to offer some alternatives that would work."

In a high-profile and landmark deal, Hutchison Telecommunications called on the firm to act on its \$11.1 billion sale of a 67% interest in Hutchison-Essar to Vodafone. China Oriental Group then engaged the firm on its defence of an unsolicited hostile bid from Smart Triumph.

"In the beginning, Rob [Ashworth] was involved in strategy analysis, and he gave us some good options and alternatives to decide how to go through the whole project," says a client. "At times we had to make tough decisions about business and listen to our legal counsel and financial advisors, and sometimes, to be honest, we feel we got better advice from our legal counsel."

The firm also advised Alcoa on its disposal of a stake in Chalco, Caterpillar on the buy-out of the remaining shares from SEM Machinery, Gome on its takeover of Dazhong Electronics and Air China on its purchase of a further 25% stake from Citic Pacific.

Pacific Century Premium Developments has recently sought the firm's counsel on its proposed \$333 million privatisation.

Herbert Smith

The firm's retention of several of the industry's leading lawyers lends to Herbert Smith's credibility as one of the key players in Asia's M&A market. "When it comes to public M&A, I would choose Herbert Smith and Ashley Alder," says one client.

Key mandates this past year have kept the team busy and its growing private-equity practice has been riding high on the influx of capital into the region. The firm's deal list reveals a high volume of challenging and interesting mandates, all successfully completed in its capable hands. "They always stick to the tasks and meet aggressive deadlines," says a client.

In one notable deal, the highly-respected Ashley Alder led the way on counselling Smart Triumph Corporation in its \$541 million voluntary conditional offer for steel manufacturer China Oriental Group Company. Following China Oriental's rejection of the

bid, Alder advised Smart Triumph's parent company in the disposal of its interest in China Oriental to ArcelorMittal.

In addition, the firm represented Youngor Group in its \$120 million acquisition of Xin Ma Apparel and Smart Apparel Group from Kellwood Company - the first prominent overseas acquisition by a Chinese clothing manufacturer.

On the private-equity side, Andrew Tortoishell was engaged by Blackstone to advise on the local aspects of its \$26 billion acquisition of the Hilton Hotels Corporation.

Latham & Watkins

Latham & Watkins has developed strong ties with the Singapore sovereign funds over the past few years.

Singaporean SWF Gisc turned to Latham & Watkins its \$11 billion investment in UBS, while the firm also acted for Financial Fullerton Financial Holdings in the \$1.5 billion sale of Sorak Financial Holdings to Maybank.

Additionally, a team led by Mark Nelson in Singapore represented Etisalat on its \$438 million acquisition of a 16% stake in PT Excelcomindo Pratama in Indonesia.

Other well-respected individuals at the US firm include David Zhang, Michael Yoshii and Julie Gao.

Linklaters

The consistent excellence of Linklaters across all practice areas deserves applause, and in the M&A market - an intensely competitive sector - it remains firmly rooted at the top.

The firm harbours extensive talent in its M&A department, with prominent partners including Celia Lam, Zili Shao, Paul Chow, Teresa Ma, Christopher Kelly and Betty Yap.

Clients have nothing but positive words for the firm. "Linklaters is by far my preferred firm," says one. "The reason is: the quality of their partners and associates are the most consistent throughout. You get junior guys who are well looked-after by seniors, and partners who are willing to help and give you good answers rather than throwing questions back."

One of the firm's most complex recent instructions was advising RBS on its \$100 billion takeover (along with Fortis and Banco Santander) of Dutch bank ABN Amro.

Another notable role was representing Citic Securities on its \$2 billion investment in and joint venture with Bear Stearns - which would have been groundbreaking as a Chinese institution's first outbound strategic alliance with a Wall Street bank - but the deal was subsequently cancelled.

The joint venture of Singapore Airlines and Temasek also hired the team for its HK\$17.6 billion investment in China Eastern Airlines, while Merrill Lynch sought Linklaters' advice on its role in the \$49.5 billion merger between MTR Corporation and KCR Corporation.

"I tend to get something I can rely on," one client says. "It's pretty clear after talking to them where I stand. It's always nice to get clear guidance."

Morrison & Foerster

Morrison & Foerster has been lauded by rivals for its strong practice in private equity and venture capital. Primarily focusing on inbound investments, the firm's corporate team in Asia enjoys the expertise of Charles Comey, its managing partner in Shanghai, and Thomas Chou in Hong Kong. "I see Chuck [Coney] around on venture-capital deals in China, and he's doing a great job," says a competitor of the firm.

Across all sectors of the Asian market, the quality of Morrison & Foerster's team has won the loyalty of clients such as Carlyle, Goldman Sachs, HSBC Private Equity, Warburg Pincus, Lehman Brothers and a whole range of mid-market and emerging growth companies.

O'Melveny & Myers

O'Melveny & Myers has seen reasonable success in Asian M&A this year, but notably it is the firm's rising profile on the private-equity and venture-capital forums that win it recognition from peers. Even the loss of Howard Zhang to Davis Polk & Wardwell this year has not hampered the spirits of the corporate M&A team, which features Howard Chao, Kurt Berney and Colin Law.

"We are pretty happy with their performance. They have two partners, Kurt Berney and Portia Koo; both of them are very responsive and knowledgeable," says one client. "They did a pretty good job, and even their associates and junior associates are very hard-working."

At time of writing the firm had suffered another blow, with the departure of its Asian M&A head Gregory Puff to Shearman & Sterling.

Despite the disruption in personnel, the firm has won several notable mandates on mid-sized deals. In a highlight transaction for the team, O'Melveny advised WuXi PharmaTech in its acquisition of AppTec Laboratory Services for \$163 million.

Honeywell International sought the firm's representation in its acquisition of the majority of the business and assets of Lonon

Industry, a Chinese manufacturer of electrical wiring and lighting products.

The firm is also highly recommended in Japan, with one peer noting: "They're pretty good with venture capital work, so I would rank them reasonably high in the private-equity tables."

Paul Weiss Rifkind Wharton & Garrison

A clear trailblazer in the private-equity market, Paul Weiss Rifkind Wharton & Garrison has enjoyed a year of roles in numerous groundbreaking and innovative M&A and private-equity deals around Asia.

The firm's main strength is private equity. Jeanette Chan and John Lange are its best-known partners in this area and are considered by many in the market to be leading private-equity lawyers.

"I've worked with Jack [John Lange] on a number of occasions. He's a very commercial lawyer, responsive and he's one of the few US commercial lawyers who are willing to think and come up with creative ideas for clients. This thinking-out-of-the-box is very important to me," says one client of Lange.

Paul Weiss's M&A highlights this year across the region include advising on the Tom Online privatisation, the sale of 67% interest in Hutchison-Essar to Vodafone, Citigroup's Acquisition of Nikko Cordial and the Doosan Infracore acquisition of Bobcat.

The firm's standout mandates from private-equity houses include acting for KKR in its first investment in China's Tianrui Cement, and representing Oaktree Capital Management on its buyout of Fu Sheng Industrial.

Shearman & Sterling

Shearman & Sterling this year poached leading M&A practitioner Gregory Puff from O'Melveny & Myers. Bringing aboard his expertise only serves to bolster the firm's M&A practice, which already boasts Lee Edwards, William McCormack and Paul Strecker, among other leading lawyers.

The year was strong for the firm, which opened Shanghai office in June 2007 due to client demand. One of the firm's highlights was advising the Longreach Group in Taiwan in its \$700 million acquisition of Entie Bank - the first majority buyout in the rapidly shrinking Taiwanese banking industry.

Another highlight for the firm was representing Taiwanese company Trust-Mart in its \$1 billion sale to Wal-Mart. Elsewhere, Edwards led a team which advised China Minsheng Bank in the first successful strategic investment by a Chinese bank in a US bank.

Although the deal value was relatively small at \$195 million, it was considered by the market to be a landmark transaction.

Simpson Thacher & Bartlett

According to one competitor, Simpson Thacher boasts "the only true *bona fide* US private-equity lawyer in Asia", Patrick Naughton.

One of the firm's highlights this year was representating Blackstone in its first Chinese investment - the acquisition of a 20% interest in China National Bluestar Corporation. Another noteworthy mandate was advising KKR on its \$576 million acquisition of Unisteel in Singapore.

The firm also boasts a strong fund formation practice. One role saw Phil Culhane advise New Horizon Capital in the establishment of its \$500 million China private-equity fund.

Skadden Arps Slate Meagher & Flom

Skadden wins a place in the top tier of the M&A rankings due to its expertise and presence in the region's most prominent deals. The firm's M&A team includes highly-regarded partners Gregory Miao, Jon Christianson, Jonathan Stone and Nicholas Norris.

One of Skadden's most notable roles was advising Citigroup Global Markets as financial advisor to Star Cruises and NCL Corporation in Star Cruise's \$1 billion sale of a 50% share in NCL to Apollo Management.

Korean Airlines and Hanjin Shipping requested the firm's advice when the airline's SPV, Hanjin Energy, acquired 28% of S-Oil Corporation for \$2.5 billion.

Another highlight saw a Norris-led team represent JP Morgan in China Unicom's \$84.1 billion merger with China Netcom. The team also advised Telekom Malaysia in the demerger of its international and mobile unit and fixed-line unit to form two listed telecoms companies.

In addition to its public M&A practice, Skadden is also high on the private-equity ladder, enjoying steady relationships with prominent private-equity houses such as Carlyle, Warburg Pincus and Capital International.

Slaughter and May

In the fiercely competitive M&A market, Slaughter and May receives unparalleled praise from clients and peers, who single out partners Neil Hyman and Benita Yu for particular recommendation.

"I have worked with Slaughter and May for more than 10 years and found their people

and services excellent in terms of understanding our needs and position, responsiveness, and the superb quality of advice,” says one client. “Their senior lawyers that I have worked with and would highly recommend include Richard Thornhill, Neil Hyman, Peter Lake and Jason Webber.”

The firm is regularly consulted by the leading investment banks such as Morgan Stanley, Goldman Sachs, UBS, JP Morgan and ABN Amro, and rarely struggles for work.

In fact, Slaughter and May is one of the rare outfits whose high-calibre reputation allows it to choose to act on only the most interesting and exceptional deals on the market. The firm has a unique strategy of cooperating with selected local firms in jurisdictions when advising in cross-border deals. When not working on the highest-profile deals in town, the firm is often seen on complex ones that may be smaller in value but require the team's cutting-edge solutions.

This year the firm's Hong Kong office gave local advice to Standard Chartered on the acquisition of American Express Bank from American Express Company for \$860 million. Neil Hyman also led a team acting for USI Holdings in its agreement to purchase a 13.6% interest in Unimix Holdings from Superfine through its subsidiary Grandslam.

In a mammoth deal for the Hong Kong domestic market, MTR Corporation turned to the firm for advice in its \$4.8 billion merger with KCR Corporation.

Sullivan & Cromwell

Sullivan & Cromwell's strong deal flow this year justifies its presence among the leading firms in the M&A market. The firm is rich in talent with the likes of Chun Wei, William Chua and Michael DeSombre, and these lawyers' teams have participated in some of the most complex and innovative transactions in Asia.

The firm advised the MTR Corporation in its merger with Kowloon-Canton Railway Corporation, and represented China Huaneng Group and SinoSing Power in their acquisition of Tuas Power for \$3 billion.

C-Bons Holding requested the firm's counsel on its 85% interest acquisition by Beiersdorf CEE Holding. Another noteworthy deal had the team advising Goldman Sachs in the \$50 million acquisition of China Water and Drinks.

Project finance

Recommended firms

Tier 1

Allen & Overy
Latham & Watkins
Linklaters

Tier 2

Baker & McKenzie
Clifford Chance
Milbank Tweed Hadley & McCloy
Shearman & Sterling
White & Case

Tier 3

Freshfields Bruckhaus Deringer
Herbert Smith
Mallesons Stephen Jaques

Tier 4

Fulbright & Jaworski
Lovells
Skadden Arps Slate Meagher & Flom

“It's been a very interesting market for project finance as it's been very thin for a number of years now,” says one prominent partner in Asia. “Acquisition activity seems to be picking up, and lots of project finance lawyers have reinvented themselves to be leveraged-finance lawyers.”

Leveraged finance is gaining increasing prominence in Asia. There is a push towards hard financing with investors looking to fund projects across the region, especially in the emerging markets.

Vietnam, Thailand, Laos, Malaysia and Cambodia are all experiencing a surge in projects. Ports are being built in Vietnam, while power assets are being sold off in the Philippines. One of the year's highest-profile deals was the Fujian refinery and ethylene joint venture, which occupied several of the industry's leading project finance firms.

Infrastructure is being built up at a steady pace in southeast Asia, and even though China has been relatively quiet from a pure projects perspective, there has been a lot happening on the renewable-energy and refinery sides.

Commentators lament the disappearance of large power deals done on an international PPP basis, but universally acknowledge that clean-energy projects are set to be the next big thing.

Allen & Overy

The market acknowledges Allen & Overy's visibility across the region, handling cross-border project finance work with a presence in nearly every market. The firm's high-quality

and longstanding knowledge of regulatory environments across the region positions the firm at the top of the project finance rankings.

“Particularly in some countries like Vietnam where there are fewer transactions, there tend to be two or three lawyers who have specific country experience because they've already worked there,” says one client. “Allen & Overy has been very helpful for us as they are one of the few legal firms who have that immediate experience.”

As the projects begin to pick up pace in the emerging markets, the firm is poised to attract significant deals thanks to the breadth and depth of its practice. Not only does Allen & Overy boast a formidable list of Asian projects, from port financings in Vietnam to a petrochemicals plant refinancing in China, the firm is regularly mandated by several of the industry's biggest names.

Of the China-based team of Simon Black and Matthias Voss, one client says: “They are very knowledgeable about deals in the marketplace and have quite a bit of experience in the China market. They've been there for quite a while so they're quite plugged in.”

Power asset acquisitions have been on the rise this past year, and in one of the largest deals in the market the Allen & Overy team won a mandate to advise the arrangers of bridge financing for the acquisition of Mirant's power assets in the Philippines. This hybrid project, worth \$3.7 billion, was the largest acquisition financing in the region.

In China, the firm was busy on several key projects: the Zhuhai iron ore pellet project, the Nanhai petrochemicals project and a combination of refinery and petrochemical projects in Guangdong and Fujian.

“They are very good, they exhibit a high degree of professionalism, have good attention to details, are commercially-oriented and are knowledgeable of the market,” says one client.

There is no doubt that Allen & Overy dominates the regional market, where size really does count. “In big transactions we need bodies, and Allen & Overy has been very important to us,” says one client. “They are one of the few firms that have the depth of bodies to take on lenders in multi-source financings. Only a couple of firms have that kind of depth of resources in Asia.”

Latham & Watkins

Latham & Watkins is universally acknowledged by its competitors as a leading practice. “They are everywhere and the quality of their work is phenomenal,” says one rival. “I would definitely put them in the top tier regionally.”

The firm's most prominent projects lawyer, Joe Bevas, has worked on a steady stream of notable and groundbreaking deals in Asian

jurisdictions including fledgling markets such as Laos and Bangladesh.

Bevash works alongside Michael Yoshii of the firm's Tokyo office and Stephen McWilliams from Singapore. Clients reserve high praise for Yoshii: "He is just a very hard-working guy, trying to get the deal done. He really drives the process, gets everyone focused and their head into the deal," says one client. "I spent 10 days straight with him in Hong Kong on simultaneous negotiations with three different equity investors. Next to me, he's the most indefatigable guy in the deal."

Latham & Watkins this year played roles in the industry's biggest and most innovative and complex deals. One such role was advising on the \$4 billion Fujian refinery and ethylene joint venture - the first Sino-foreign joint venture in China - which incorporated several of Asia's leading project finance firms.

Other notable Latham & Watkins deals this year include its role representing Tepco and Marubeni Corporation in the acquisition and financing of Mirant's power assets in the Philippines, and serving as counsel to Standard Chartered in the \$298 million project financing of the Wayang Windu geothermal power project's expansion, and the refinancing of its existing unit.

Linklaters

Linklaters has enjoyed a very prosperous and busy year, employed on many key transactions spanning the Asia-Pacific region. John Maxwell is heavily praised by the market for his excellent work on a range of project financing structures.

"He and his team are very good and I will always use them if we can get them," says a client. Betty Yap is also praised by clients. Says one: "She's very helpful and knowledgeable and not only does she understand how the system works, she's quite commercial as well."

Although affectionately referred to as "the ports guy" by one peer, Maxwell and the talented Linklaters projects team have not been limited to acting on those projects alone. The firm advised on coal-to-liquid projects in China, the PT Indosat satellite financing, and the financing for the first Chinese-built liquefied natural gas (LNG) vessels.

Maxwell also advised the sponsors and borrowers on the \$250 million limited-recourse financing of the initial phase of the Saigon Premier Port development project in Vietnam. Patrick Fontaine led the financing for the delivery of the first Chinese-built LNG vessels valued at \$467 million. In addition, Maxwell advised Sasol Synfuels in the development and financing of two \$5 billion CTL projects in the Shanxi and Ningxia provinces of China.

The team did lose a notable figure this year, with the return of Stuart Salt to the firm's London office. "He's a very much proven senior lawyer and they may suffer as a result," says one peer.

But the reputation of John Maxwell among clients means the firm has no shortage of talent. Says one client: "We got into dogmatic issues with lenders and John had a great ability to sit back and say: 'Let's be pragmatic here and consider all the facets of the deal and move ahead,' and this seemed to work very well for us."

Baker & McKenzie

The business model of Baker & McKenzie allows it to be on the ground in nearly every jurisdiction, which many clients respond well to. "They have a very, very large law office, but it's in-depth and separate. We like using firms that can enjoy support from their various offices," says one client.

Not only does Baker & McKenzie boast strong capabilities in Hong Kong and China, but the firm's quality in southeast Asia is what sets it apart from many competitors. In the Indonesian market for example, its affiliate Hadiputranto Hadinoto & Partners is a top-tier firm in the projects market - as well as in every other corporate and financial practice area - while in Thailand and Vietnam, the firm is also top-ranked.

One highlight this year saw the firm win a role as sole counsel for the master redevelopment project of Hong Kong's iconic Ocean Park. In the power market, Baker & McKenzie acted for China State Grid Corporation as one of the shareholders in the National Grid consortium's successful \$3.6 billion bid to operate and maintain the Philippines' electricity grid for the next 25 years.

Sawane Sethsathira and Paul Elliott were also busy this year, serving as counsel to the HMC Polymers Company on the financing of the development, construction and operation of a propane dehydrogenation to produce polypropylene (PDH/PP) project.

"Baker & McKenzie is very strong and in the project we worked on with them they did a very good job," says one client. "They certainly have a couple of partners that are experienced in the region, especially Thailand. Paul Elliott deserves credit."

Clifford Chance

Respect for Huw Jenkins is almost unparalleled in the Asia-Pacific market, and despite many peers pointing out that he has drifted more into banking, he remains by far the most

prominent partner in Clifford Chance's projects team.

The firm has been working hard to boost its projects offering in the region. Energy specialist Geraint Hughes was relocated to the Hong Kong office from London this year to bolster Clifford Chance's regional talent.

The firm also poached Bruce Schulberg from Jones Day, promoted Andrew Brereton to partner in Singapore and moved rising projects star Ting Ting Tan from Beijing to Singapore to concentrate on the upswing in deals from the emerging markets.

"We've had a good relationship with Rob [Ritchie] and Huw [Jenkins] for a very long time in project finance transactions. They always come through on a tough deal as they know our bank and know what we require," says one client. "It's just so easy to go back to the same guys since they've done a great job. This business is very much about the relationship."

This year Clifford Chance worked on Mitsubishi's clean-development mechanism (CDM) projects around China, while Stephen Harder acted as counsel in Luso Carbon Funds' CDM projects. The firm also advised China Exim Bank on its project financing for PT Perusahaan Listrik Negara in Indonesia, and represented the lenders in the Haripur power project in Bangladesh.

Milbank Tweed Hadley & McCloy

Milbank has done well this year, boasting a string of strong mandates thanks to star projects partners Gary Wigmore and Mark Plenderleith. "Gary Wigmore has been in Asia for a long, long time and has a great reputation," says one client. "Gary has been down in my office for days straight working on stuff; we've been together negotiating and he's always been there and been available."

The client adds: "He's very, very patient and unflappable. He doesn't get angry and doesn't lose his temper just because he has to negotiate a fee."

Wigmore led a team advising the lead arrangers - three Korean banks - in their \$180 million term loan financing to Kepcosil for its acquisition of 34% of shares in a joint venture between Kepcosil, Shanxi International Electricity Group and Deutsche Capital Hong Kong to purchase interests in 12 power plants and coal mines throughout Shanxi province in China.

Milbank is representing prospective lenders in the development of an independent power project in Cirebon, Indonesia, under a build-own-transfer arrangement. The firm is also advising on the Tanjung Jati B private power expansion project in Indonesia - the

first project in the country of its type since the onset of the credit crunch.

In addition, Milbank is acting for GNPower on the development and financing of a coal-fired power project in the Philippines.

“Gary Wigmore of Milbank is one of best lawyers because of his wonderful expertise and best efforts to support the current power deal of our bank,” says one client. “I think Gary understands the specific need of lenders from various Asian countries. It helped a lot for me to execute due diligence. He carefully listens to requests from lenders and efficiently persuades sponsors.”

Shearman & Sterling

Shearman & Sterling has been riding high in the market this year, executing an impressive list of complex and challenging deals for prominent clients. The firm has grown since last year, opening a new office in Shanghai in response to client needs. In under a year, the firm has worked on projects in the region with a combined value of more than \$5 billion.

Andrew Ruff attracts praise from the market for the speed of his legal review and his insightful analysis. “He doesn’t pay much attention to his legal fees, instead much more focusing on his quality of service,” says one client. “In very hard negotiation times, he showed me his excellent capabilities to meet the deadline and deal with difficult clients.”

The accolades for the team don’t stop at Andrew Ruff, with William McCormack receiving extensive praise from clients: “He always gets the job done and executes what we need, when we need,” says one. “Having Bill on our side is always a comfort because he knows his stuff.”

One notable role sees the firm representing the mandated lead arrangers in the financing of the development of a coal-fired power plant in Thailand.

The firm is also advising the borrower and sponsors in the \$227 million financing of the Cai Mep-Thi Vai container terminal in Vietnam. The firm is also advising Petronas in the first project finance deal to be undertaken in Turkmenistan.

In addition, Ruff’s team is advising Dow Chemicals in its international coal-to-chemicals project in Shanxi province in China. Valued at \$9 billion, the deal is expected to be one of the most complex projects in China and will be the country’s largest-ever foreign direct investment in a project.

region is astonishing, even when compared with other leading practices in the market. The firm has quickly established itself in the region as a reference for project finance work.

The firm this year hired Mark Goodrich from Lovells in Tokyo and transferred Doug Peel to Singapore from its London office. Rivals have remarked that Peel is a lawyer to watch out for in future projects. “Doug Peel has seen a lot of success coming out here. He is quite good and adds a lot to White & Case’s practice,” says one competitor.

Hallam Chow is singled out by clients as one of the firm’s leading projects partners. “He’s very qualified, very responsible, he’s always there, he’s always going the extra 10 miles and he’s very knowledgeable,” says a client, who adds: “If we could get him on another deal, we would.”

White & Case’s list of noteworthy transactions spans the entire region, from Brunei to Thailand to China. The firm acted for Saudi Aramco and Sasco in a \$4 billion project financing to the Fujian Refining Petrochemical Company for the companies’ joint venture to develop a refinery.

Other highlights for the firm include advising Sabic in the establishment of a joint venture with Sinopec, and acting for the senior lenders in Brunei’s \$360 million financing of a methanol project.

White & Case

The sheer volume of project finance deals White & Case has been involved in across the