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Martin Coleman and Bruce Whittaker
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Melbourne

The Australian corporate debt markets have had another busy year. This is not just because volumes have been up again, but also because market participants have had to keep up with a number of legal developments.

Trends in the Australian corporate debt markets

The volume of debt raised by Australian corporates increased greatly over the past year. Although large syndicated loans dominated the league tables, a noticeable trend was the growth in club and bilateral loans, as borrowers – many with strong balance sheets – sought more competitive terms from lenders eager to write more balance-sheet business.

The competitive pressure on margins was also fuelled in part by the continued increase in Australian issuers tapping into the US private placement market. This market provided cheaper and longer term financing than was generally available in Australia, although more recently Australian lenders have been offering longer maturities in an effort to remain competitive. One consequence of this is that there is likely to be a lag in the Australian refinancing market in coming years, as fewer loans come up for refinancing.

Other growth areas were infrastructure and project financing, acquisition and leveraged financing, and securitization. In project financing Australia has seen the continued use of public-private partnerships between government bodies and the private sector (PPPs) to build infrastructure projects such as roads, courts, prisons, hospitals and schools. Australian federal and state governments have openly acknowledged the need to increase private investment in infrastructure. For this reason, there will be big opportunities in this market in the coming years.

Acquisition financing was strong in the resources, energy and healthcare sectors. The growth in private equity also saw an increase in the leveraged finance market.

The securitization market in Australia continued to strengthen. While residential mortgage-backed securitizations (RMBS) continued to provide the greatest volume for global issues, there was an increase in the non-conforming mortgage market, and some new asset classes were securitized. Additionally, the changes to Australian accounting standards that will be required by the impending International Financial Reporting Standards will see the restructuring of many programmes in an endeavour to keep them off balance sheet.

Recent developments

Australia's Basel II implementation, approach and timeline

The Australian Prudential Regulation Authority (APRA) recently released the first of its discussion papers on the implementation of the new Basel II capital adequacy regime in Australia.

The paper deals with a standardized approach to credit risk and proposes a new prudential standard in this area. Most Australian banks, building societies and credit unions are likely to adopt the standardized approach to determine their regulatory capital requirements for credit risk. However, APRA expects larger banks to seek accreditation for the more sophisticated Basel II approaches. A full suite of prudential standards for the Basel II Framework will be released for consultation in the coming months. APRA expects to issue a final version in early 2007, which will then be tabled in parliament, and the new capital adequacy regime will come into force on January 1 2008.

Australian financial services licences – new exemptions

Unless they have the benefit of an exemption, all persons who carry on a financial services business in Australia are required to have an Australian financial services licence (AFSL).

This is important to overseas parties because there is no general licensing exemption for those who deal with Australian financial service providers. Also, an overseas party may be found to carry on a financial services business in Australia even though they are not actually located here.

Two new exemptions have relieved the potential burden for overseas parties.

Derivatives and foreign exchange contracts: The Australian Securities and Investments Commission (ASIC) has released a class order providing licensing relief for some overseas dealers and market makers. Class Order 04/1570 applies to certain foreign companies when they enter into dealings on their own account in FX contracts and derivatives with licensed wholesale Australian counterparties, and those dealings are governed by a master agreement (such as an ISDA master agreement).

Securitization special purpose vehicles: ASIC has issued its final conditional class order relief for securitization special purpose vehicles from the requirement to hold an AFSL. The final relief (which sets out four types of financial services that can be provided by a *securitization entity* without the need for an AFSL) only applies to financial services provided to wholesale clients. The relief applies in relation to securitization entities and certain other parties involved in financial services involving the securitization entity.

Australian withholding tax – new exemptions

Income withholding tax is imposed on interest paid by Australian residents to non-residents. Until recently there was a limited exemption under section 128F of the Income Tax Assessment Act for interest on debentures issued by companies, provided that a public offer test had been satisfied in relation to the issue of those debentures.

Now, interest payments on financial instruments that are characterized as debt under the debt/equity rules for tax purposes, including non-equity shares such as certain redeemable preference shares, are potentially able to rely on the exemption in section 128F and so be exempt from income withholding tax.

The exemption is now also available to some unit trusts as well as companies.

Taxpayers obtaining advice on the availability of the public offer test exemption should also be aware of other possible interest withholding tax exemptions, such as the exemption recently provided, under the US and UK double tax conventions, for UK and US resident financial institutions in certain circumstances.

Review of international tax arrangements

The last 12 months have seen the introduction of legislation to implement the federal government's review of international tax arrangements. These changes are targeted at promoting the ability of Australian businesses to attract capital for offshore expansion and promoting Australia as a global financial services centre.

The existing tax exemption for non-portfolio dividends (that is, where the recipient has at least 10% of the voting power in the paying company) received by Australian companies has been expanded to all such dividends, regardless of where they were sourced.

The amendments also extended the existing tax exemption for foreign branch profits, so that most income derived at or through a permanent establishment will be exempt in Australia. However, tainted income (such as interest, dividends and royalties) will continue to be taxable if it constitutes more than 5% of the branch's gross turnover.

Another big change is the reduction in capital gains and losses on the disposal by an Australian company or controlled foreign company of shares in foreign companies.

Insolvency law changes

The Australian Government's Corporations and Markets Advisory Committee has released its report on rehabilitating large and complex enterprises in financial difficulties. The Committee concluded that Part 5.3A of the Corporations Act, which provides for voluntary administration and for companies to enter into deeds of company arrangement, is fundamentally sound and that there is no compelling need to adopt a form of US Chapter 11 in Australia. The Committee also suggested a number of possible legislative amendments that might enhance Part 5.3A.

2005 Budget announcements

Lastly, some big changes relevant to inbound investment into Australia by non-resident taxpayers were announced in the 2005 Federal Budget.

Australia imposes capital gains tax on the disposal by non-residents of a wide range of assets. The government has announced that it proposes to only tax non-residents on capital gains arising from the disposal of real property in Australia, and the business assets of a foreign-owned Australian branch. This means that Australia will no longer tax the disposal of non-resident shareholdings in Australian companies, except in cases where gains are from the disposal of shares in a company that has an interest in Australian real property.

Another development of note is the proposed change to exempt foreign residents from tax on capital gains in respect of an interest in an Australian managed fund.

Banking

Recommended firms
Tier 1
Allens Arthur Robinson
Clayton Utz
Freehills
Mallesons Stephen Jaques
Tier 2
Blake Dawson Waldron
Minter Ellison
Tier 3
Arnold Bloch Leibler
Baker & McKenzie
Henry Davis York
Phillips Fox

Allens Arthur Robinson

Allens Arthur Robinson's banking and finance group turned in another impressive performance last year, keeping it firmly entrenched in the first tier. Headed by Jim Dunstan, the national team has earned its top-notch reputation by acting on large and complex financings. Diccon Loxton and Phillip Cornwell are well-known senior figures in the market, who are frequently praised for their depth of experience and superb technical abilities. Alan Maxton, meanwhile, is highly recommended for asset and structured finance. In terms of personnel changes last year, the Melbourne office welcomed back Simon Lynch from Baker & McKenzie.

The highlight of 2004 was the A$3.2 billion ($2.4 billion) refinancing of Sydney Airport, which involved new bank debt facilities and several tranches of capital markets debt. Allens Arthur Robinson played a substantial role in the refinancing, advising the lending group of nine banks on the bank facility side and acting for Goldman Sachs JB Were as arranger and MBIA Insurance Corporation as credit wrapper on the capital markets side.

The team was also involved in a slew of major acquisition financings over the past year, including the A$1.465 billion financing provided to Ramsay Health Care to acquire the Affinity Group, the bridging facility for Macquarie Communications Infrastructure Group's £1.27 billion ($2.25 billion) acquisition of ntl:Broadcast, and the A$520 million facility granted to support DCA Group's A$1.5 billion acquisition of medical imaging group MIA. Allens acted as lenders' counsel on all these deals.

The firm maintains trusted relationships with the four major domestic banks (ANZ, Commonwealth Bank, National Australia Bank and Westpac) and leading overseas financial institutions such as ABN Amro, Deutsche Bank, Credit Suisse First Boston and UBS. Clients also include influential corporations such as BHP Billiton, Fosters, News Corp and Rio Tinto.

Leading lawyers
David Clifford
Phillip Cornwell
Diccon Loxton
Alan Maxton

Key contact partners
Phillip Cornwell
Jim Dunstan
Diccon Loxton

Clayton Utz

Clayton Utz has made concerted efforts over the past year to boost its already strong banking practice with a series of strategic lateral hires at the partner and associate level. The firm's efforts have certainly paid off, and Clayton Utz moves up the rankings after performing impressively and receiving strong market recommendations. Clients tend to view the firm as being in the same league as the other top-ranking firms, and praise its excellent work in private equity and highly leveraged financings. Examples include Pacific Equity Partners' A$200 million ($153 million) acquisition financing of Worldwide Restaurant Concepts, and the takeover financing provided to a consortium led by DB Private Equity to takeover Tempo Services by way of a scheme of arrangement.

Michael Riches, who joined the practice from Minter Ellison in May 2004, receives generous praise from peers and clients alike for the quality of his work. There is also plenty of respect for leading lawyers Graeme Gurney, Grant Fuzi and Quentin Solomon, which demonstrates the depth of the banking practice.

A recent highlight was acting for ANZ on financing Metcash Trading's capital reorganization and subsequent takeover bid for Foodland Associated. The deal involved the complex negotiation of several debt facilities totalling over A$1.5 billion. The banking department has also benefited from the firm's strong capital markets team on deals such as the $843 million Rapids-style rights issue to finance Macquarie CountryWide Trust's acquisition of a $2.79 billion shopping centre portfolio. Clayton Utz is a regular panel appointee to the major banks, and also counts Barclays Capital, Royal Bank of Scotland and AMP Capital Investors among its clients.

Leading lawyers
Grant Fuzi
Graeme Gurney
Michael Riches
Quentin Solomon

Key contact partners
Leah Chick
Grant Fuzi
Quentin Solomon

Freehills

Freehills' 24-partner banking department continues to be widely recognized as one that belongs in the first tier. Department head Mark Rigotti is consistently cited as a leading name, as are Patrick St John and Mark Breheny. In the area of asset-based and structured finance, John Angus receives praise for his intellect. The department's broad client base includes Commonwealth Bank, Westpac, Babcock & Brown, National Australia Bank and ANZ Bank.

Freehills showed its credentials last year by acting on a string of significant deals, including Deutsche Bank Real Estate's A$1.4 billion ($1.07 billion) capital raising for the stapling of four listed property trusts and concurrent financing of overseas acquisitions, the A$950 refinancing of the Investa Property Trust, and the A$560 million refinancing of the Visy Global Manufacturing Group. Another important deal saw Freehills advising Westfield Holdings on a $2.25 billion bridge facility related to stapling its listed securities with Westfield America Trust and Westfield Trust. More recently, the firm helped Metcash Trading obtain over A$1 billion in financing for its capital reorganization and highly publicized bid for Foodland Associated.

Leading lawyers
John Angus
Mark Breheny
Mark Rigotti
Patrick St John

Key contact partners
Mark Rigotti
John Schembri
Peter Stawell

Mallesons Stephen Jaques

Rounding out the top tier of banking firms is Mallesons Stephen Jaques, which remains an undisputed market force. The 38-partner practice advises on the full range of banking work, but has made its reputation by working on the more complex transactions. Mallesons tends to appear on high-profile financings, as best exemplified by its role on Sydney Airport's A$3.2 billion ($2.4 billion) refinancing, a deal that required considerable project finance and capital markets expertise. The firm also has a thriving retail banking sub-practice and was involved in setting up BPay View, an integrated electronic bill viewing and payment system for Australian consumers.

Many of Mallesons' banking lawyers are experts in the related areas of debt capital markets, securitization and project finance, a feature that is shared by its top-tier competitors. Although John Kelly has left the firm, the depth of the firm's talent means that several lawyers remain who warrant special mention. Peter Doyle, Ian Paterson and John Stumbles continue to be regarded as standout lawyers. Melbourne partner Jeff Clark is another leading lawyer who is praised for his technical and commercial competence. In terms of rising stars, the market said Richard Hoskins is forging a name in the Melbourne market, and that Hal Bolitho is talented in asset finance. Ken Astridge and Yuen Yee Cho are singled out for having good client skills.

Lastly, the firm maintains an excellent roster of top-flight clients, including the four big Australian banks, international heavyweights such as ABN Amro, Bank of America, Barclays Capital, BNP Paribas, Citigroup, Deutsche Bank, HSBC, JP Morgan, Macquarie Bank, Merrill Lynch, Morgan Stanley, Rothschild, Societe Generale and UBS, and an impressive range of blue-chip corporates such as Lion Nathan, Telstra and Westfield.

Leading lawyers

Jeff Clark
Peter Doyle
Ian Paterson
John Stumbles

Key contact partners

Ken Astridge
Steven Fuller
David Olsson

Blake Dawson Waldron

Blake Dawson Waldron has a fine banking team that continues to win instructions from clients such as Qantas Airways, ANZ Bank, ABN Amro, HSBC and Halifax Bank of Scotland. Melbourne partner Martin Coleman heads a national department of 18 partners and 60 associates. Although the firm lost Trevor Danos to Corrs Chambers Westgarth last year, the movement has not affected its market standing. The firm continues to be perceived by the market as active and highly competent. John Fields is recognized as the firm's dominant figure in this area, and is often cited as an excellent lawyer by peers and clients.

Blakes' recent performance has clearly shown that its banking capabilities extend far beyond vanilla banking. A standout deal last year was the financing of the Patrick Corporation's A$1.6 billion ($1.2 billion) off-market takeover bid for Virgin Blue Airlines, in relation to which Blakes acted for the Patrick Corporation. In other highlights, the firm acted for ANZ as the sole underwriter of the A$350 million financing for Healthscope's takeover bid for the Gribbles Group, and advised Qantas on a complex cross-border aircraft financing that involved the use of a Japanese operating lease structure.

Leading lawyers

Martin Coleman
John Field

Key contact partners

Martin Coleman
Richard Fawcett
John Field

Minter Ellison

Despite the loss of well-respected partner Michael Riches to Clayton Utz and three Melbourne partners to Corrs Chambers Westgarth, the banking team at Minter Ellison is still seen as a credible market presence. The recent partner departures have been partially offset by the arrival of Graham Mouat from New Zealand's Minter Ellison Rudd Watts.

The firm maintains its tradition of acting on financing transactions involving the Multiplex Group, most recently acting for ANZ and RBS Australia on the A$1.6 billion ($1.2 billion) secured warehouse facility for the Multiplex Property Trust. The firm's banking clients are primarily financial institutions such as Westpac, Commonwealth Bank and Macquarie Bank, but the firm also receives a steady stream of work from large corporate borrowers.

For example, Minter Ellison was lender's counsel on Sonic Healthcare Group's A$700 million refinancing, and in relation to the $700 million financing for the restructure of Perth Airport Landholdings. It acted on the borrower's side, meanwhile, in connection with financing Singapore Power's A$5.1 billion acquisition of TXU Corp's Australian assets. Minter Ellison also acted for ANZ on the bank debt funding for the Freshwater development project. The debt standby facilities formed part of a complex two-tiered funding and security structure, including securitization of the pre-sale contracts and mezzanine debt.

Key contact partners

Tony Berriman
Gillian Brown
Peter Nadalin

Arnold Bloch Leibler

Traditionally a strong presence in Melbourne, Arnold Bloch Leibler has been expanding its Sydney team in response to market demand. The firm's two main figures in this area are Sydney partner Paul Rubenstein, who was formerly a partner at a leading Israeli law firm, and property finance expert Stephen Sharp, who works out of the Melbourne office. Sharp and Rubenstein have been steadily building up their practice, winning appointments to the legal panels of St George Bank, ANZ, BankWest, ING Funds Management, Perpetual Trustees, Babcock & Brown and NM Rothschild and Sons. In addition to financial institutions, Arnold Bloch Leibler acts for listed companies, private investors, private equity and venture capital funds and start-up companies.

The firm is particularly strong in property financing, and recently acted for clients such as Investec Bank, National Australia Bank, Macquarie Bank and Lustig & Moar on the financing of several large property developments. Last year the firm was also active in setting up capital and other financing arrangements for a number of funds and development trusts, such as the Becton Development Investment Fund, the MAB Development Fund, the Challenger Property Income Trust and the Multiplex Development Trust.

Mezzanine finance is a developing area for the firm; it recently advised NM Rothschild as mezzanine lender on several transactions, including the complex merger between Longreach Catapult and Australian Electronic Manufacturing Services.

Key contact partners
Paul Rubenstein
Stephen Sharp

Baker & McKenzie

Baker & McKenzie has over 20 banking lawyers in Sydney and Melbourne combined. Following the return of Simon Lynch to Allens Arthur Robinson, the department now has six partners. Led by Sydney partner George Harris, the team has a particular expertise in acquisition financing. Its recent track record includes advising ANZ on two major deals – the A$1.5 billion ($1.1 billion) acquisition financing of Woolworths' hostile takeover of the Australian Leisure and Hospitality Group, and the A$173 million management buyout of Macquarie Bank's media fund. The firm also acted for Archer Capital and Pacific Equity Partners in connection with the A$450 million management buyout of Emeco, a leading provider in earthmoving equipment.

Elsewhere, the firm assisted the EDC Corporation with its A$225 million non-recourse structured equipment financing, and represented Citigroup in relation to the ongoing debt restructuring of Macquarie Goodman to support several proposed property acquisitions. Bank clients include Credit Suisse First Boston, BOS International, Commonwealth Bank and NM Rothschild, while on the non-bank side the firm has served as counsel to the Itochu Corporation, Manildra Flour Mills, Mastercard, Multiplex Funds Management and Travelex.

Key contact partner
George Harris

Henry Davis York

Henry Davis York has capitalized on its strong relationships with several leading Australian banks on the insolvency and restructuring side to develop a solid banking practice. The firm boasts seven partners and 12 associates specializing in banking, all of whom are in the firm's Sydney office.

The firm's portfolio of recent deals include acting for Eureka Funds Management in connection with funding arrangements for the Eureka Wholesale Property Fund, and advising an offshore bank on setting up retail banking operations in Australia. The banking team is also active in financial markets and derivatives advisory work. Clients primarily consist of lending institutions such as Westpac Banking Corporation, Commonwealth Bank, National Australia Bank, St George Bank and HBOS Australia.

Key contact partners
John Currie
Roger Dobson
Simon McSweeney

Phillips Fox

While better known for the strength of its insurance practice, Phillips Fox has gradually increased its banking and finance presence. The team of 12 partners and 26 associates has developed client relationships with institutions such as St George Bank, Babcock & Brown, Goldman Sachs and Citibank.

Last year the firm saw increased activity in leveraged private equity transactions. The firm drew on senior associate Ben Burney's leveraged financing experience when acting for Barclays Bank in financing the A$380 million ($291 million) leveraged buyout of survival technology company Survitec, and advising St George Corporate Finance on the senior debt funding of the merger between part of Longreach's business operations and Australian Electronic Manufacturing Services. Another deal saw the firm acting for St George Bank Institutional Property in relation to providing acquisition and working capital facilities to the Tankstream Property Investments Fund. Sydney partner David East is recommended for general debt-related work.

Key contact partners
Bill Chapman
David East
Monique Stella

Capital markets – debt

Recommended firms
Tier 1
Allens Arthur Robinson
Mallesons Stephen Jaques
Tier 2
Blake Dawson Waldron
Clayton Utz
Freehills
Tier 3
Baker & McKenzie
Minter Ellison

Allens Arthur Robinson

Allens Arthur Robinson retains its status as a first-class debt practice. The well-regarded team is backed by extensive experience, acting on a variety of Rule 144A and private placements for large corporate issuers such as News Group, Burns Philp, QBE Group, Amcor, CSL, Paperlinx, One Steel and Downer EDI. Financial clients include Westpac, GE Capital, ANZ and National Australia Bank.

The firm has special expertise in credit-wrapped deals, and Robert Cornish and Mark Kidston are widely recommended as leading lawyers in this area. In last year's A$3.2 billion ($2.4 billion) Sydney Airport refinancing the firm acted for MBIA Insurance Corporation as credit wrapper of the A$1.5 billion medium-term notes (MTNs) issued by Southern Cross Airports. The firm also acted for Goldman Sachs as arranger of the MTN issue in the same deal. Other deals saw Allens Arthur Robinson advising the issuer in connection with the A$550 million domestic credit-wrapped note programme for the Dampier-Bunbury natural gas pipeline, and acting for the Ambac Assurance Corporation as credit wrapper on the A$400 million debt programme for Energy Partnership Gas.

Outside of credit-wrapped work, the firm acted for Tabcorp in connection with its $700 million US private placement, and advised Fosters on its $300 million Rule 144A/Reg S global offering of guaranteed notes. Allens Arthur Robinson also provided Australian legal advice to Bank of America, Westpac and the noteholders regarding Transurban's $300 million private placement and $1.8 billion domestic note programme.

Leading lawyers
Robert Cornish
Mark Kidston

Key contact partners
David Clifford
Robert Cornish
Mark Kidston

Mallesons Stephen Jaques

Mallesons Stephen Jaques is undoubtedly a market leader in debt capital markets, based on the volume and quality of its deals. The six-partner team boasts a high degree of expertise, and dominates several sections of the market. Although the firm recently transferred the well-respected Rowan Russell to London, it still has a leading lawyer in Greg Hammond. Hammond is held in high regard by clients and peers alike for his depth of experience.

In the area of retail synthetic note programmes, Mallesons captures the lion's share of the deals. The debt team has helped bring structured credit products that were previously only available to the wholesale market into the retail market. Examples include the Prise, Nexus and Halcyon synthetic collateralized debt obligations. The firm is also a major player in kangaroo bond issues, having assisted a multitude of European and American issuers with their bond offerings in the Australian domestic capital markets.

Other recent deals include acting for Sydney Airport in relation to its A$3.2 billion ($2.4 billion) refinancing,which involved the issue of A$1.57 million in credit-wrapped medium-term notes and capital indexed bonds, and advising the credit wrapper in connection with the Dampier-Bunbury natural gas pipeline's A$550 million note programme. Another deal saw the firm advising Energy Partnership Gas on the establishment of its A$400 million debt programme, allowing the company to issue credit-wrapped and non-credit wrapped notes.

Leading lawyers
Greg Hammond
David Olsson

Key contact partners
Greg Hammond
David Olsson
Ian Paterson

Blake Dawson Waldron

David Mason leads a respectable six-partner debt practice at Blake Dawson Waldron. Mason is the firm's leading lawyer in this area, and he is also experienced in structured finance and derivatives. The practice has continued to expand over the past year, with the arrival of two lateral hires from overseas.

Recently the firm helped ANZ, Citigroup and Westpac arrange the A$400 million ($306 million) debt programme for the issue of credit-wrapped and non-credit-wrapped notes by Energy Partnership Gas. Blakes also acted for TD Securities as arranger of L-Bank's A$5 billion medium-term note programme. On the issuer side, meanwhile, the firm advised Computershare on its $318.5 million US private placement, which consisted of four series of senior notes backed by a guarantee from the parent company and certain subsidiaries. In the past the firm has also worked on private placements for long-standing client Alinta Energy.

Leading lawyer
David Mason

Key contact partners
Richard Fawcett
David Mason
Doug Scobie

Clayton Utz

Clayton Utz's successful debt capital markets group is led by structured finance expert Brian Salter, and as a result there tends to be a degree of overlap between the debt and structured finance practices. For example, the team recently assisted National Australia bank as arranger, liquidity provider and swap provider in connection with AMP Wholesale Office Fund's first offering in 2005. The issue of A$425 million ($325 million) notes was secured by commercial office properties owned by the issuer.

The firm recently strengthened its capabilities with the hire of Leong Khoo, former group capital markets counsel at National Australia Bank. Clients include major participants in the domestic debt market such as Commonwealth Bank of Australia, Adelaide Bank, ABN Amro and Orix Australia.

Clayton Utz has also acted as Australian counsel on several overseas offerings by Australian issuers, such as Suncorp Metway's issue of €500 million floating rate notes, Tabcorp Investments' $700 million US private placement (which was the largest US private placement by an Australian issuer at the time), and Oxiana's issue of over $100 million in convertible bonds. High-yield experience, meanwhile, includes acting on Mayne Group's Rule 144A/Reg S $200 million offering of senior notes.

Leading lawyer
Brian Salter

Key contact partners
Ninian Lewis
Trevor Robinson
Brian Salter

Freehills

Under the leadership of Andrew Booth, Freehills continues to perform solidly in debt capital markets. Booth is regarded as highly knowledgeable and extremely proactive with clients. His colleague Richard Gray is also identified as a leading light at the firm.

The firm has a well-established track record acting for frequent issuers. Examples include acting for Westfield Holdings on its $2.6 billion bond issue under Rule 144A, advising Burns Philp on a series of registered exchange offerings totalling over $700 million in senior notes, representing Transurban on its $300 million US private placement and its A$1.8 billion ($1.4 billion) domestic note programme, and assisting with setting up a commercial paper and medium-term note programme for the Investa Property Group. Freehills was also involved in the A$550 million domestic credit-wrapped note programme for the Dampier-Bunbury natural gas pipeline.

The firm's client roster is balanced out by investment banks such as Babcock & Brown, National Australia Bank and Macquarie Bank.

Leading lawyers
Andrew Booth
Richard Gray

Key contact partners
Andrew Booth
Patrick Lowden
Mark Rigotti

Baker & McKenzie

In addition to debt raisings, Baker & McKenzie's five-partner team advises clients on the introduction of new financial products into the market. Recent products that the firm has helped launch include Citigroup Orb II Yields, which were listed as warrants on the Australian Stock Exchange, a variety of market-linked deposits for Citibank, and a structured product for Goldman Sachs that gives investors exposure to Asian indices. The firm also has experience advising on high-yield transactions. In March 2005, for example, Baker & McKenzie acted for Emeco International in connection with its A$125 million ($96 million) high-yield offering. Bill Fuggle is the firm's most active figure in this area.

Baker & McKenzie has developed a wide base of debt market clients including AMP, Argus, Babcock & Brown, Commonwealth Financial Services, JP Morgan, Macquarie Bank, Sanford Securities, UBS Asset Management and Westpac Institutional Bank.

Key contact partner
Bill Fuggle

Capital markets – equity

Recommended firms
Tier 1
Allens Arthur Robinson
Freehills
Mallesons Stephen Jaques
Tier 2
Blake Dawson Waldron
Clayton Utz
Tier 3
Baker & McKenzie
Minter Ellison
Tier 4
Arnold Bloch Leibler
Corrs Chambers Westgarth
Phillips Fox

Allens Arthur Robinson

Just like its excellent debt practice, equity capital markets is an area in which Allens Arthur Robinson continues to impress. Because of its wide-ranging and deep expertise, the firm tends to win roles on the most complex capital raisings that have an impact on the market. From among the team, Jon North and Michael Grieg are consistently recognized for their high standard of advice.

The A$2.272 billion ($1.75 billion) off-market share buy-back of BHP (the largest of its kind ever in Australia), the A$1.3 billion initial public offering (IPO) by Zinifex (the first time a company under administration was refloated) and Tattersalls' highly successful $2.1 billion IPO are just a selection of recent major deals that the firm worked on. The firm also advised the underwriters on Diversified Utility and Energy Trusts' A$258 million IPO.

Allens Arthur Robinson has an excellent reputation for hybrid securities, and has helped introduce some innovative structures into the market. Recent highlights include acting for Macquarie Airports on its A$950 million Tickets (tradeable interest-bearing convertible to equity trust securities) entitlement offer, advising Healthscope on its hybrid issue of Rapids (renounceable accelerated pro-rata issue with dual-bookbuild structure) to fund its bid for the Gribbles Group, and acting for Merrill Lynch as underwriter on Santos's A$600 million issue of Fuels (franked unsecured equity listed securities). An interesting cross-border deal, meanwhile, was Origin Energy Capital's $600 million issue of Cups (convertible undated preference shares) to fund Origin Energy's acquisition of Edison Mission Energy's New Zealand assets.

Leading lawyers
Andrew Clarke
Michael Grieg
Jon North

Key contact partner
Jon North

Freehills

Freehills runs a first-rate equity practice that has played a key role in many pioneering transactions. Peers and clients have been extremely impressed by Philippa Stone, who one competitor described as "the most sought after lawyer in the area." Fiona Gardiner-Hill also receives positive market feedback.

Over the past year the team has continued to win mandates acting for the issuer or underwriter on a succession of large capital raisings. Examples include Babcock & Brown's A$550 million ($424 million) initial public offering (IPO), the $245 million IPO of Bradken, the $378 million IPO of Hastings Diversified Utilities Fund and the A$428 million float of the Just Group, which was considered to be one of the largest exits of private equity investors ever in the Australian market. The firm also acted for the joint-lead managers and underwriters in relation to Origin Energy's A$600 million renounceable rights issue. More recently, the firm assisted Metcash Trading on the equity raising aspects of its capital reorganization and takeover bid for Foodland Associated.

However, it is in hybrid securities that the firm truly shines, thanks to its expertise in developing innovative funding structures. Recent examples include the listed offering of trust-issued adjustable preferred securities (Taps) by the Hastings Diversified Utilities Fund, Great Southern Plantation's issue of transferable reset exchangeable securities series 2 securities (Trees2), and Austar United Communications' A$115 million offer of subordinated transferable adjustable redeemable securities (Stars).

A landmark hybrid deal was acting for Santos on its $600 limited offer of franked unsecured equity listed securities (Fuels). The security structure used here was complex, and involved a step-up feature combined with a redemption and buyback rollover option. The firm also works frequently on hybrid capital raisings as part of wider acquisition financings, examples being Macquarie Communications Infrastructure Group's A$800 million Rapids rights issue, which partially funded its acquisition of ntl:Broadcast.

Leading lawyers
Richard Loveridge
Philippa Stone
Michael Ziegelaar

Key contact partners
Richard Loveridge
Philippa Stone
Michael Ziegelaar

Mallesons Stephen Jaques

Mallesons Stephen Jaques cements its position in the top tier after another excellent performance. The firm also confirmed its reputation for cutting-edge expertise on several transactions.

For example, Mallesons advised the joint-lead managers on the landmark A$1.3 billion ($1 billion) float of the Zinifex group that had previously been under administration. The firm also served as counsel to British Airways on its $1.1 billion sale of its stake in Qantas, effected through a blind date method for the first time in Australia.

Mallesons was recently called upon to act on two important transactions involving Diversified Utility and Energy Trusts (Duets). The first was Duets' initial public offering (IPO) in August 2004, which involved establishing a joint venture between the responsible entities and a unique two-stage selldown structure. The second involved a hybrid and equity raising by Duets and its listed hybrid sub-trust, Powers, which raised a total of A$555 million. The proceeds were used to finance Duets' acquisition of the Dampier-to-Bunbury natural gas pipeline.

The firm also successfully completed the ConnectEast consortium's $1.2 billion IPO to partially finance its winning bid for the Eastlink project. Other hybrid deals included Origin Energy Capital's issue of A$600 million convertible undated preference shares (Cups) and the Insurance Australia Group's issue of perpetual reset exchangeable notes.

Mallesons plays host to a string of talented and highly recommended lawyers, including Greg Golding, Stephen Minns and Diana Nicholson. David Friedlander, meanwhile, receives praise for his technical and commercial abilities as well as his rapport with clients.

Leading lawyers
Peter Cook
David Friedlander
Greg Golding
Stephen Minns
Diana Nicholson

Key contact partners
David Friedlander
Greg Golding
David Olsson

Blake Dawson Waldron

Blake Dawson Waldron has a well-developed presence in the equity markets, and is considered a solid choice for equity work. Last year the firm advised Alinta on its $660 million capital raising (by way of share placement and renounceable rights issue) to partially finance the A$1.6 billion ($1.24 billion) acquisition of Duke Energy's Australian gas and power portfolio. Another highlight saw the firm act for the James Fielding Group on its merger with Mirvac, which involved the exchange of A$460 million in Mirvac securities for shares in the James Fielding Group.

The firm has also showed its capabilities in hybrid securities, advising Ramsay Health Care on its A$460 million capital raising, which involved an accelerated entitlement offer, a share placement and hybrid offer of Cares (convertible adjustable rate securities). The funds were used to acquire the Affinity Health Group. In another hybrid deal, the firm advised UBS as lead manager and underwriter of a hybrid trust in connection with the issue of trust-issued adjustable preferred securities (Taps) by the Hastings Diversified Utilities Fund.

From among the strong team, Sarah Dulhunty draws praise for her efficient and commercial approach. The firm has also strengthened its team, welcoming back former ANZ deputy general counsel Peter Stirling as a partner.

Leading lawyers
Sarah Dulhunty
Bill Koeck

Key contact partners
Roger Davies
Sarah Dulhunty
Bill Koeck

Clayton Utz

Clayton Utz has started to edge closer towards the first tier after a strong showing over the past 12 months. The firm's campaign has been bolstered by the addition of well-respected private equity experts Phillip Kapp and David Stammers from Minter Ellison. The market also singles out Michael Parshall as up-and-coming in this area.

February 2005 saw the firm advising Origin Energy on its A$641 million ($494 million) renounceable rights issue. The firm then advised the joint-lead managers of Macquarie Capital Alliance's A$1 billion initial public offering in March 2005. In the same month, Clayton Utz also acted for Macquarie CountryWide Trust in connection with its Rapids (renounceable accelerated priority offer with a dual bookbuild structure)-style rights issue and placement, which raised A$843 million. Another hybrid deal saw the firm advise the joint-lead managers on Macquarie Airports' A$950 million offering of Tickets (tradeable interest-bearing convertible to equity trust securities).

More recently, the firm has added to its success by completing the high-profile A$2.2 billion listing of the Tattersalls gaming group in its role as issuer's counsel. Going forward, Clayton Utz is busy on a number of major equity offerings in the pipeline; it will be interesting to see how the firm builds on this strong position over the coming months.

Leading lawyers
Greg James
Charles Rosedale

Key contact partners
Greg James
Penny Grau
Mark Paganin

Baker & McKenzie

The past year has been extremely active for Baker & McKenzie's 14-partner equity team. The activity is largely attributable to the firm's involvement in a trio of large capital raisings for Babcock & Brown companies. In October 2004, the firm advised Babcock & Brown on its A$550 million ($424 million) initial public offering (IPO) and listing. This was followed in 2005 by the A$1 billion IPO of Babcock & Brown Capital, which was the largest investment vehicle-raising to date. And in April 2005 the firm successfully completed Everest Babcock & Brown Alternative Investments' A$300 million IPO.

Baker & McKenzie also acted for the issuer on the A$90 million IPO of the Vision Group, undertaken as part of a dual-track IPO and trade sale process. Other clients that benefited from Baker & McKenzie's advice last year included Argus Solutions, Gippsland Offshore Petroleum, Soul Private Equity and McMillan Shakespeare.

Key contact partner
Richard Lustig

Minter Ellison

Minter Ellison has aggressively expanded its capital markets practice over the past year, with several lateral hires from within Australia and overseas. The firm's recent performance has indicated that the team has been making solid progress. From the team, Sebastian Hempel and Bart Oude-Vrielink receive favourable market feedback.

One of Minter Ellison's standout deals involved it acting for Macquarie Bank on setting up a new listed investment fund known as the Macquarie Capital Alliance Group and the subsequent A$1 billion ($770 million) capital raising through partly-paid stapled securities. Other transactions saw the firm act for Australian Energy Developments on its A$102 million initial public offering and advise on Great Southern Plantations' second issue of transferable reset exchange securities.

Minter Ellison also provided legal advice to Deutsche Bank as financial adviser and underwriter to a series of capital raisings by Metcash. The complex funding structure involved a share placement, rights issue of convertible unsecured loan stock and subscription for Cups (convertible undated preference shares) in Metcash.

Leading lawyers
Leigh Brown
Sebastian Hempel
Bart Oude-Vrielink

Key contact partners
Sebastian Hempel
Bart Oude-Vrielink

Arnold Bloch Leibler

Arnold Bloch Leibler's equity team had a busy year in 2004, securing roles on some noteworthy deals. For example, as part of the funding structure for the high-profile Eastlink tollway project, the firm acted for the equity underwriters in relation to ConnectEast Consortium's A$1.2 billion ($924 million) initial public offering (IPO).

Earlier in the year, the firm advised Macquarie Equity Capital Markets as underwriter of Alinta's A$690 million share placement and renounceable rights issue. The proceeds of the deal were used to partially fund Alinta's acquisition of a gas and power asset portfolio from the Duke Energy Group. The firm's relationship with Seek, a major online recruitment business, also led to a role as issuer's counsel on the company's IPO and listing in April 2005.

Key contact partner
Henry Lanzer

Phillips Fox

Phillips Fox's Australian M&A practice functions as an integrated team with its New Zealand counterpart, making the firm an especially good choice for trans-Tasman deals. As an example, the firm played a lead role in the separation and sale of Tower's Australian wealth management business. The transaction was effected through a spin-off into a new subsidiary, the subsequent listing of the new subsidiary on the Australian Stock Exchange (ASX), and a capital raising by way of a renounceable rights issue.

In May 2005 the firm advised Domino Pizza Australia & New Zealand on its initial public offering and Australian listing, which marked the first fast-food chain listing on the ASX. The firm also acted on the A$100 million offering of stapled securities in the Abacus Storage King Property Fund.

Key contact partners
David East
Eugene Fung
Charles Mendel

Capital markets – securitization and structured finance

Recommended firms
Tier 1
Allens Arthur Robinson
Clayton Utz
Mallesons Stephen Jaques
Tier 2
Blake Dawson Waldron
Freehills
Tier 3
Minter Ellison
Henry Davis York

Allens Arthur Robinson

After another successful year, Allens Arthur Robinson reconfirms its status as one of the top securitization firms in the country. The team works on a high proportion of the residential mortgage-backed securitizations (RMBS) and commercial mortgage-backed securitizations (CMBS) that come to the market, and also has extensive experience advising on asset-backed securities issues, collateralized debt obligations and other synthetic deals.

Recently the firm was involved in several cutting-edge deals, such as Adelaide Bank's A$800 ($614 million) RMBS issue through its Torrens trust. The firm advised Ambac Assurance Corp as financial guarantor on the deal, which marked the first time a financial guarantee had been provided as credit enhancement for an Australian securitization. Allens Arthur Robinson also acted for CNH Australia in relation to the country's first securitization of car dealer floorplan receivables. Lastly, the firm advised Barclays Capital in connection with the Commonwealth Bank Medallion 2005-1G issue of mortgage-backed securities. The A$4.16 million issue was Australia's largest securitization to date.

The recent promotion of Nicky Andrews to partner reflects the firm's commitment to this growing area. From among the rest of the team, competitors and clients hold a great deal of respect for Mark Wormell and Andrew Jinks, both of whom are seen as technically skilled and proactive practitioners.

Leading lawyers
Matthew Allchurch
Andrew Jinks
Mark Wormell

Key contact partners
Matthew Allchurch
Andrew Jinks
Mark Wormell

Clayton Utz

Spearheaded by Brian Salter, Clayton Utz's securitization practice has always been an area in which the firm outshines many of its competitors. Salter is widely admired for his dedication to the securitization industry, and is considered a legal pioneer in the area in Austrialia. Melbourne-based Ninian Lewis, meanwhile, is also regarded as a leading lawyer. In the past year the firm added to its capabilities, by hiring two associates with structured finance expertise.

In June last year the firm acted for Adelaide Bank on its issue of A$800 million ($614 million) residential mortgage-backed notes through its Torrens trust. The transaction involved the innovative use of a financial guarantee as credit enhancement. More recently, the firm represented Commonwealth Bank in relation to its Medallion 2005-1G issue of A$4.16 billion mortgage-backed securities, a deal that was notable for its sheer size. Clayton Utz also advised National Australia Bank in connection with its A$425 million commercial mortgage-backed securitization, which was secured over AMP Wholesale Office Fund's commercial office properties.

The firm continues to act for other high-profile asset-backed arrangers and packagers, such as the Royal Bank of Scotland and ABN Amro, across a range of asset classes.

Leading lawyers
Ninian Lewis
Brian Salter

Key contact partners
Ninian Lewis
Trevor Robinson
Brian Salter

Mallesons Stephen Jaques

Boasting one of the largest and best securitization teams in Australia, Mallesons Stephen Jaques is tough to beat in terms of volume and quality. The firm acts for a large number of non-bank lenders, commercial banks, trustees and conduit sponsors, advising them over an extensive range of asset classes. In the area of residential mortgage-backed securitization and retail synthetic notes offerings, the firm has a market-leading position, and a reputation for providing top-quality, cutting-edge expertise.

A recent deal highlight was the complex structured financing of the Freshwater property project in Melbourne, on which Mallesons acted for Australand as the developer and ANZ Investment Bank as the arranger. The innovative funding structure involved bank debt funding, the securitization of presale contract revenues, and external mezzanine and equity funding, all of which was tied together by a complex intercreditor arrangement. In the Vision Securitization Trust deal, meanwhile, Mallesons structured DaimlerChrysler's first term securitization in the Australian market through an initial warehouse facility and subsequent term securitization. The need to comply with US accounting requirements added to the complexity of the deal.

The team's lawyers are talented across the board, but one client described Stuart Fuller as "the most sought after lawyer in the area." As well as Fuller, Brisbane partner Berkeley Cox is praised for having "technical mastery" as well as "a strong commercial sensibility," Scott Farrell is regarded as highly skilled, and Ian Edmonds-Wilson has been tagged as a rising star.

Leading lawyers
Berkeley Cox
Scott Farrell
Stuart Fuller

Key contact partners
Berkeley Cox
Stuart Fuller

Blake Dawson Waldron

Blake Dawson Waldron has steadily been developing its securitization practice, and its recent mandates ably demonstrate the firm's progress in this area. In May 2004 the firm helped Société Générale, in its capacity as arranger, to close the first securitization in Australia of vehicle dealer floorplan receivables. The following month Blakes completed ANZ-Sunland's A$135 million ($104 million) securitization, which securitized the pre-sale contracts for a residential apartment complex in Melbourne. And in August 2004, the firm acted for Barclays Bank, as lender and arranger, in relation to an A$250 million warehouse facility for Bluestone Equity Release. The warehouse facility was the first to be backed by reverse mortgage loans, a new product geared to elderly home owners.

The firm also represented Lehman Brothers and Grange Securities in the establishment of Mahogany Capital's retail collateralized debt obligation programme, for the issue of Australian Stock Exchange-listed retail notes. The programme also adopts an unusual combo note structure of rated and unrated interest portions.

In July 2005 it was announced that leading lawyer Tessa Hoser was leaving to join rival firm Freehills. Hoser is seen by peers and clients as one of the market's best securitization lawyers, who added much credibility to the firm's practice. While the departure will be a blow to the firm, its strength in depth (through such respected partners as David Mason and Bruce Whittaker) undoubtedly remains; it will be interesting to see how Blake Dawson Waldron progresses in the coming year.

Leading lawyer
David Mason

Key contact partners
Richard Fawcett
David Mason
Bruce Whittaker

Freehills

Freehills' securitization team is led by Peter Rowe, who is also the firm's most active practitioner in this area. The firm has started to make a real push towards the first tier, and recently scored a coup by hiring Tessa Hoser in July 2005. Hoser was a leading light at Blake Dawson Waldron and brings excellent credentials to her new firm.

In 2004 the firm acted for key client Members Equity on the A$2 billion ($1.5 billion) residential mortgage-backed securitizations by SMHL Global Fund No 7 (the novel securitization of Members Equity's manager fees) and a A$1 billion warehouse facility for warehousing and financing business loans. Freehills also advised on securitization matters arising out of the A$6.2 billion merger of Deutsche's property trusts and listing of the merged entity.

Leading lawyers
Tessa Hoser
Peter Rowe

Key contact partners
Richard Gray
Patrick Lowden
Peter Rowe

Henry Davis York

Henry Davis York's securitization team has carved out a well-established niche acting for large trustee companies such as Perpetual Trustees, JP Morgan Institutional Trust Services, ABN Amro Trustees and Australian Executor Trustees. High-profile mandates in this area saw the firm act for the trustee on Adelaide Bank's $1 billion credit-wrapped securitization of non-conforming mortgages, and advise Perpetual Trustee in connection with Mahogany Capital's retail collateralized debt obligation programme.

The firm also has experience acting for issuers on transactions, such as its role on 2004's euro-denominated offerings by the Resimac Premier Euro Trusts. Practice head Alex Mufford is the firm's main securitization expert.

Key contact partner
Alex Mufford

Insolvency and restructuring

Recommended firms
Tier 1
Blake Dawson Waldron
Henry Davis York
Minter Ellison
Tier 2
Allens Arthur Robinson
Clayton Utz
Freehills
Mallesons Stephen Jaques
Tier 3
Arnold Bloch Leibler
Baker & McKenzie
Corrs Chambers Westgarth
Tier 4
Deacons
Dibbs Barker Gosling
Gadens
Kemp Strang
Piper Alderman

Blake Dawson Waldron

Blake Dawson Waldron turned in another fine performance last year to maintain its top-tier ranking. The 10-partner insolvency and restructuring practice has enjoyed tremendous success, and is considered especially strong in the Sydney and Brisbane markets. Ray Mainsbridge and James Marshall are recommended for their high degree of legal and commercial expertise, and Tony Ryan has also been earmarked as a rising talent. Key clients in recent times include HSBC, ANZ Bank, McGrathNicol and PricewaterhouseCoopers.

A recent highlight saw the firm representing Deloitte as administrator in the voluntary administration of WC Penfolds, a publicly listed stationery business. Blakes advised on a particularly innovative creditors' trust structure that allowed for the refloating of a shell company to raise funds for the unsecured creditors. Other matters that showcased the firm's insolvency prowess included acting for the major creditor and the administrator in the A$324 million (A$245 million) administration of Westbus, the largest private bus operator in New South Wales, advising the financier and receiver of the Sydney Superdome, and assisting the liquidators of HIH with the formulation and implementation of joint schemes of arrangement in Australia and the UK.

Leading lawyers
Ray Mainsbridge
James Marshall

Key contact partners
Ray Mainsbridge
James Marshall
Tony Ryan

Henry Davis York

Although Henry Davis York does not have a national practice, many clients judge the eight-partner Sydney team as thoroughly capable of fielding a team to act on the most complex matters, regardless of location. At the time of writing the firm continues to advise PPB as the appointed receivers and managers to the Republic of Nauru's assets. In helping the receivers to realize about A$340 million ($260.7 million) in assets, the firm has had to tackle several unique and complex cross-border insolvency issues.

Other ongoing work includes advising liquidator Ernst & Young on dealing with $580 million in liabilities arising out of New Cap Insurance's insolvency, representing McGrathNicol in connection with the receivership of Comindico Australia, and acting for Westpac as a major banking creditor in the administration of the Ion Group.

The firm has an exceptionally deep practice, as shown by the number of lawyer recommendations received during *IFLR*'s research. Phillip Crawford, John Martin and John Evans continue to garner considerable respect from peers and clients. Roger Dobson, Michael Rowe and Simon McSweeney are also highly recommended for their restructuring work, and the market picked out Matthew Kersey as an up-and-coming talent.

Leading lawyers
Phillip Crawford
John Evans
John Martin

Key contact partners
Phillip Crawford
John Evans
John Martin

Minter Ellison

Minter Ellison has enjoyed an excellent reputation for insolvency and restructuring. Although observers comment that the firm experienced a quieter year than in the past, the practice is still regarded as one of high quality, and its 12 partners are well placed to advise on the most complex insolvency and reconstruction issues. Leading lawyers Ian Walker and Michael Hughes are praised for their commercial sense and wide-ranging experience. Research respondents also praise Perth partner Leith Ayres.

In April 2004, the firm's longstanding involvement in the Pasminco Group administration (as counsel to the administrator, Ferrier Hodgson) culminated in the historic refloat of the business under the Zinifex name.

Activity picked up in early 2005 after the announcement of Walter Construction going into administration. The firm was called upon to advise Veolia Water Systems as Walter Construction's joint venture partner regarding the safe completion of the A$197 million Illawarra Wastewater Strategy project. Going forward, the firm is advising Deloitte Touche Tohmatsu as administrators in relation to the voluntary administration of private bus operator Westbus Group, and is assisting the administrators of the Ion Group with the sale of the group's energy services division. Minter Ellison also continues to act for the Ion Group's solvent New Zealand subsidiaries.

Leading lawyers
Michael Hughes
Ian Walker

Key contact partners
Garry Hamilton
Michael Hughes
Ian Walker
Brendon Watkins

Allens Arthur Robinson

Allens Arthur Robinson's insolvency and restructuring group has steadily been developing a well-balanced practice that acts for major banks such as Dresdner, JP Morgan and HSBC, insolvency practitioners and voluntary administrators. The practice has been tagged as one to watch in the coming years, after posting a strong performance in a difficult market.

At the time of writing, a Melbourne team is representing McGrathNicol as administrators for the Ion Group, a large automotive component maker that was placed in voluntary administration in December 2004. Michael Quinlan, who is also active in the legal education field, is commonly viewed as the firm's leading insolvency lawyer. Melbourne partner Tanya Cini has been noted as a rising star.

On the restructuring side, Ian Wallace is highly rated; among recent highlights, Wallace represented the Henry Walker Eltin Group in relation to its debt restructuring negotiations and subsequent voluntary administration. The firm also acted for Parmalat Australia in connection with its complex workout, which involved ring-fencing the Australian subsidiaries from its insolvent parent company in Italy, and was lead adviser to the purchasing consortium in respect of the receivership sale of the Dampier-to-Bunbury natural gas pipeline.

Leading lawyers
Michael Quinlan
Ian Wallace

Key contact partners
Michael Quinlan
Geoff Rankin

Clayton Utz

Clayton Utz's recovery and insolvency group often works closely with the banking group on high-profile financial restructurings. A team led by Quentin Solomon continues to be busy acting for several bank creditors in relation to the Ion Group voluntary administration. The firm's role as counsel to the liquidators in the long-running HIH Insurance recovery actions has also generated a steady stream of work.

A recently completed deal was the A$1.86 billion ($1.43 billion) receivership sale of Epic Energy's Dampier-to-Bunbury natural gas pipeline, on which the firm acted for the receivers and managers. The sale was implemented through a competitive bid process, and the large number of competing stakeholders added to its complexity. In the past Clayton Utz also represented the bank creditors to the Henry Walker Eltin Group in negotiations over a proposed standstill and restructuring agreement.

David Cowling is the firm's most well-known insolvency figure, and comes highly recommended for his good commercial sense. Market feedback also points out Melbourne partner Paul James as an up-and-comer, and Perth partner Rob McKenzie is considered a solid operator.

Leading lawyer
David Cowling

Key contact partners
Cameron Belyea
Paul James
Karen O'Flynn

Freehills

Freehills' insolvency team sits as part of its well-regarded commercial litigation practice. Phillip Hoser, who the market identified as a talented practitioner, leads a solid team staffed by experienced lawyers. Bruce Ramsay has also been praised for performing above expectations.

A number of long-running matters have kept the firm occupied, such as defending a group of 20 domestic and international banks in a large piece of litigation involving the insolvent Bell Group companies, and acting for the underwriters of the directors' and officers' liability policy in the HIH liquidation.

In new deals, the firm was recently instructed by Ferrier Hodgson as administrator to mining company Sons of Gwalia. A multi-office team led by the Perth office is working on the sale of the administered company's non-core assets and restructuring of its business operations. Clients that the firm has served in the past include Deloitte, Ernst & Young and Lloyds of London.

Key contact partners

Phillip Hoser
Konrad de Kerloy
Alan Mitchell

Mallesons Stephen Jaques

Mallesons Stephen Jaques' insolvency team at Mallesons has a strong creditor focus that stems from the firm's stellar banking practice. Bank clients include ABN Amro, ANZ, Deutsche Bank, Macquarie Bank, Standard Chartered Bank and Westpac, and the firm also acts for a good spread of insolvency practitioners such as Ernst & Young, KordaMentha, McGrathNicol, PPB and PricewaterhouseCoopers and Ferrier Hodgson. As a result, Mallesons tends to be visible on high-profile deals, recent examples being the company administrations of Sons of Gwalia, the Henry Walker Eltin Group, Walter Constructions Group and the Ion Group.

However, it is on the debt restructuring side that the firm stands out, and a recent increase in non-contentious restructurings has worked to its advantage. In one standout deal, Mallesons acted for Australian banks in connection with the Parmalat group workout, helping to devise a structure to secure the banks' position and rights against the Australian subsidiaries and their insolvent Italian parent company. Another innovative deal was the $1.2 billion debt restructuring of Reach, a joint venture between Telstra and Hong Kong telecommunications company PCCW. Mallesons acted for Telstra in taking over Reach's existing debt with its joint venture partner.

Mallesons' leading lawyers include Linda Johnson on the insolvency side and well-known banking partner John Stumbles on the restructuring side. In Perth, Beau Deleuil received a nod for good quality work.

Leading lawyers

Linda Johnson
John Stumbles

Key contact partners

Linda Johnson
John Stumbles

Arnold Bloch Leibler

Arnold Bloch Leibler runs its insolvency and restructuring practice primarily out of its Melbourne office. Practice head Leon Zwier is a noted insolvency lawyer. Zwier has an impressive track record of advising on large and complicated administrations that often include cross-border elements.

The firm has extensive experience acting on all sides of insolvency and restructuring deals, due largely to its good working relationships with various stakeholders such as secured creditors, bondholders, insolvency practitioners, liquidators and administrators. Recent highlights include advising a group of US noteholders in relation to the Sons of Gwalia administration on Australian legal issues, representing four of the voluntary administrators that have been appointed to four companies in the Epic Energy group. At the time of writing, the firm is also working on the reconstruction and debt workout of Newmont Yandel Operations, assisting with the buyback of A$560 million ($428 million)-worth of liabilities.

Leading lawyer

Leon Zwier

Key contact partner

Leon Zwier

Baker & McKenzie

Baker & McKenzie has boosted its insolvency practice recently, with the hire of Bruce Hambrett from Minter Ellison. Hambrett was a former head of insolvency of Minter Ellison, and also worked as general counsel of Singtel Optus. Along with Hambrett, practice head Mark Chapple is the most well-known figure in the six-partner team.

Over the past year, Chapple's team has been busy on a number of ongoing matters, such as representing Arthur Andersen as auditors in relation to the A$5 billion ($3.84 billion) HIH liquidation, acting for a long-term trade customer in the Ion administration, and advising McGrathNicol as liquidators of Equiticorp Investments Australia in proceedings before the High Court of New Zealand. The firm has built up a diverse range of clients, including Ernst & Young, PricewaterhouseCoopers, Singtel Optus, Harley Davidson and Fujitsu Australia.

Key contact partner

Mark Chapple

Corrs Chambers Westgarth

Corrs Chambers Westgarth's insolvency and reconstruction group is widely acknowledged as being on the rise. Much of the firm's progress is credited to well-respected team leader Dominic Emmett. Emmett has a vast amount of local and international experience, recently advising the administrators for Newmont Yandal and acting for several directors in the Epic Energy group of companies.

The team also acts for accounting firms, banks and insolvency practitioners. The team's cross-border capabilities were further enhanced recently by the addition of Chin Chuan Chen, a former partner at Singapore firm Rajah & Tann.

Leading lawyer
Dominic Emmett

Key contact partner
Dominic Emmett

Piper Alderman

Piper Alderman's credit management and insolvency team practices out of offices in Sydney, Melbourne and Adelaide. The compact team of 13 fee earners maintains a well-developed practice that acts for secured creditors, corporate insolvency practitioners and company directors.

The firm has a long history of involvement in high-profile administrations, including those of the Duke Group, TVSN, the Henry Walker Eltin Group, HIH, Liberty One, Water Wheel and the Patricks Group. From among the solid team, senior practitioner Philip Stern is singled out for his breadth of experience.

Leading lawyer
Philip Stern

Key contact partners
Philip Stern
Andrew Stops
Steven Thomas

Mergers and acquisitions

Recommended firms
Tier 1
Allens Arthur Robinson
Blake Dawson Waldron
Freehills
Mallesons Stephen Jaques
Tier 2
Clayton Utz
Minter Ellison
Tier 3
Atanaskovic Hartnell
Baker & McKenzie
Gilbert + Tobin
Tier 4
Arnold Bloch Leibler
Corrs Chambers Westgarth
Phillips Fox

Allens Arthur Robinson

Like so many other of its practice groups, Allens Arthur Robinson has an excellent reputation when it comes to M&A. There is no shortage of standout lawyers; Guy Alexander, Andrew Clarke, Ewen Crouch and Jon Webster all receive strong recommendations from peers and clients. Richard Kriedemann and Andrew Finch were also mentioned as rising stars. The wealth of M&A activity last year provided an opportunity for the firm to showcase its abilities.

Highlights included acting for the target in Foster's Group's A$3.2 billion ($2.5 billion) acquisition of Southcorp, advising Associated British Foods in connection with its A$1.9 billion acquisition of Burns Philip's global bakery and food ingredients business, representing Virgin Blue in respect of the unsolicited A$2 billion takeover bid by the Patrick Corporation, and acting for the purchasing consortium in relation to the A$1.8 billion Dampier-to-Bunbury pipeline.

Allens Arthur Robinson also played a key role in the high-profile reincorporation of Newscorp from Australia to the US, a transaction that was not only large but that also incorporated complex share acquisition and transfer arrangements. Key client General Property Trust (GPT) also kept the firm busy, instructing it to advise on separate takeover and merger proposals from Lend Lease and Stockland. The firm maintains its involvement with GPT by assisting its client with the internalization of GPT's management, which includes joint venture arrangements with Babcock & Brown and asset sale arrangements with Westfield.

At the time of writing the firm continues to advise WMC Resources on the high-profile $9.2 billion takeover bid for the company by BHP Billiton.

Leading lawyers
Guy Alexander
Andrew Clarke
Ewen Crouch
Jon Webster

Key contact partners
Ewen Crouch
Jon Webster

Blake Dawson Waldron

By providing efficient support in a buoyant M&A market, Blake Dawson Waldron has made its way into the top tier for the first time. The firm's success in this area can be attributed largely to the efforts of joint practice heads Bill Koeck and Marie McDonald. As well as their undisputed M&A knowledge, Koeck and McDonald garner wide respect for building up a team that is praised for providing creative solutions and seamless support across its national network. From among the team, Roger Davies, David Williamson and Bruce McDonald are also recommended.

Standout deals last year include acting for San Miguel on its A$1.8 billion ($1.4 billion) takeover bid for National Foods, and assisting Ramsay Health with its A$1.4 billion acquisition of major private hospital group Affinity Health. The firm was also visible on the Dampier-to-Bunbury pipeline sale, acting for Alinta as a participant in the acquiring consortium. The firm also advised Alinta on the sale of its interest in broadband provider Uecomm.

Blake Dawson Waldron continues to win important mandates, and at the time of writing is acting for BHP Billiton on its A$9.2 billion cash takeover offer for WMC Resources.

Leading lawyers
Roger Davies
Bill Koeck
Marie McDonald

Key contact partners
Bill Koeck
Marie McDonald
David Williamson

Freehills

Recent statistics have shown that Freehills has developed a clear lead in the number and value of M&A transactions. With 53 partners across the country, the team is well-stocked to handle the largest and most complex transactions with aplomb. The firm acted for Deutsche Bank on the complex restructuring and merger of several listed property trusts, a multi-faceted deal that involved the stapling of securities and the partial internalization of management, and was valued at A$6.2 billion ($4.8 billion). Another notable mandate came from Burns Philp, which Freehills advised on the sale of its bakery ingredients business across 30 jurisdictions to Associated British Foods for A$1.9 billion.

Freehills has also been visible on many of the recent widely publicized takeovers. Among these, the firm advised National Foods in response to competing bids by the San Miguel Corporation and NZ Fonterra. At the time of writing the firm continues to advise Transurban Group in relation to its A$2.2 billion unsolicited takeover bid for Hills Motorway Group, and is assisting Metcash Trading with its $2.8 billion takeover of Foodland Associated.

Deal volume aside, the M&A team receives frequent praise for its high level of client service. The firm counts many highly respected lawyers among its numbers, including Rodd Levy and Brandon Jolley, who are supported by a raft of talented up-and-comers such as Aaron Kenevan, Justin Madolini and Baden Furphy. Private equity head Nick Wormald, meanwhile, was also singled out by peers and clients for his breadth of experience and commercial understanding.

Leading lawyers
Braddon Jolley
Rodd Levy

Key contact partners
Fiona Gardiner-Hill
Braddon Jolley
Rodd Levy

Mallesons Stephen Jaques

Mallesons' top-tier status remains uncontested this year, as the firm has continued to be successful in attracting high-quality work. It is difficult to single out individual talents in the 58-partner team, but names such as Stephen Minns, David Friedlander, Greg Golding and Peter Cook were consistently mentioned as top-flight practitioners. Michael Herring and Barry McWilliams also received special mention for their technical strength and transaction skills.

The firm took a lead role on the A$24 billion ($16.2 billion) merger of Westfield Holdings, Westfield Trust and Westfield America Trust, a deal that created the largest listed retail property group in the world. The merger involved novel cross-border issues and prompted similarly styled mergers in its wake. Other noteworthy M&A work saw Mallesons advise Diversified Utility and Energy Trusts as a consortium participant in relation to the sale of the Dampier-to-Bunbury pipeline, and act as counsel to the target on Ramsay Health Care's $1.4 billion takeover of Affinity Health. Although their bids were ultimately unsuccessful, the M&A team had a busy time advising Fonterra on its contested takeover of National Foods, Xstrata in connection with its takeover offer for WMC Resources and Stockland on its takeover bid for General Property Trust.

At the time of writing the firm had recently helped CLP complete its A$2.128 billion purchase of Singapore Power's Australian merchant energy business. It was also acting for Foodland Associated as the target in a takeover bid by Metcash Trading, and advising Hills Motorway on the unsolicited scrip bid by Transurban.

Leading lawyers
Tim Bednall
David Friedlander
Peter Cook
Greg Golding
Stephen Minns

Key contact partners
Greg Golding
Alison Lansley
Stephen Minns

Clayton Utz

Clayton Utz has set its sights firmly on the first tier with its recent notable hires, attracting partners from international law firms Watson Farley & Williams and Paul Weiss Rifkind Wharton & Garrison. To bolster its private equity credentials, the firm has also snared Philip Kapp and David Stammers from Minter Ellison. Leading lawyers include practice head Rod Halstead and John Elliott, while Michael Parshall has been dubbed a rising star.

The firm's most significant deal last year involved it acting for Origin Energy, a publicly listed natural gas and power retailer, in relation to its acquisition of a 51% interest in Contact Energy, one of New Zealand's largest energy retailers. The trans-Tasman energy deal was part of Edison Energy's sell-off of its international assets. Another important buyer-side instruction came from Ingram Micro Asia Holdings, in connection with its A$700 million ($541 million) acquisition of IT distribution business Techpac Holdings. The firm has also assisted Coca-Cola Amatil with a number of acquisitions, including of packaged fruit producer SPC Ardmona and Quirk's Refrigeration/Crusta Fruit Juice.

Leading lawyers
John Elliott
Rod Halstead

Key contact partners
Rod Halstead
Phillip Kapp
Andrew Walker

Minter Ellison

There is widespread agreement in the market that the 38-partner M&A team at Minter Ellison was underrated last year, resulting in its promotion to the second tier this year. The firm has boosted its team with the hire of Lachlan Drew from Gilbert + Tobin and several lateral hires of associates with overseas experience. The standout partner is Costas Condoleon, whose lateral thinking and problem-solving skills come highly recommended.

The team has proven ability to tackle high-end deals. Last year, for example, the firm advised Australian Leisure Hospital (ALH) in relation to the takeover contest and bidding war between competing vehicles led by Woolworths and Colesmyer; eventually, ALH was successfully acquired by Bruandwo (the Woolworths vehicle) for A$1.32 billion. Another highlight saw the firm act for Patrick Corporation on its unsolicited A$1.1 billion takeover bid for Virgin Blue.

The energy sector also generated plenty of work for the firm. Minter Ellison served as Singapore Power's counsel in connection with its A$5.1 billion acquisition of TXU Corporation's Australian operations, and advised Alcoa World Alumina as a participant on the winning consortium on the acquisition of the Dampier-to-Bunbury natural gas pipeline.

The firm was also present on two recent landmark deals, advising Westfield America Trust on the A$30 billion three-way merger and acting for the Murdoch family interests in relation to the reincorporation of The News Corporation into the US.

Key contact partners
Bruce Cowley
James Philips
Tim Watkin

Atanaskovic Hartnell

Despite the fact that it is smaller than its competitors, Sydney firm Atanaskovic Harnell is an increasingly regular name on Australian M&A league tables. The firm's reputation rests on the talents of high-quality lawyers such as name partner John Atanaskovic, who is a widely respected figure in the market, and Danny Simmons, who is considered to be a talented up-and-comer. The size and reputation of this corporate boutique allows it to focus on quality rather than quantity.

The firm acted for Westfield Holdings, a property company and fund manager, in relation to its three-way merger with Westfield America Trust and Westfield Trust, a transaction valued at A$16.2 billion ($12.5 billion). The firm also acted as Australian legal counsel to Rag Coal International on the $432 million disposal of its Australian coal operations to Peabody Energy Corporation.

The firm's clients include a spread of domestic and international firms such as Sumitomo Corporation, Westfield Trust, Chase Manhattan Bank, SingTel Optus, and Castle Harlan Australia Mezzanine Partners.

Leading lawyer
John Atanaskovic

Key contact partner
John Atanaskovic

Baker & McKenzie

M&A is definitely a strength of Baker & McKenzie's Australian operation, and both Ben McLaughlin and Guy Sanderson are noted experts in this area. The 25-partner team is particularly strong on power sector deals. For example, the firm advised TXU Corporation on the sale of its Australian energy business to Singapore Power for A$5.1 billion ($3.9 billion), and subsequently acted for Singapore Power on the sale of its Australian merchant energy business to CLP Energy for A$2.1 billion.

The firm's international network makes it well-placed to advise on cross-border deals, such as New Hope Corporation's disposal of its Indonesian mining assets. Other deals that benefited from Baker & McKenzie's M&A expertise have included SP Telemedia's A$400 million alliance with B Digital, NTT's sale of its Australian data business to PowerTel, the A$173 million share buyback of EDS Corporation's Australian operations from Commonwealth Bank, and MIA's merger with DCA by way of a scheme of arrangement to form the largest diagnostic imaging provider in Australia.

Going forward the team continues to be busy, and at the time of writing is advising Babcock & Brown on its $1.4 billion joint venture with General Property Trust following the completion of its management internalization.

Key contact partner
Steven Glanz

Gilbert + Tobin

Traditionally seen as an IT and telecoms specialist, Gilbert + Tobin has moved beyond that niche to make a name for itself in the wider M&A sphere. Gary Besson and Gary Lawler are the firm's two best-known personalities. Besson led a team acting for Mirvac in the A$478 acquisition of the James Fielding Group, which was carried out through a Supreme Court-approved scheme of arrangement and trust merger.

Lawler was involved in two key deals last year – Fletcher Building's A$530 million acquisition of Amatek Holdings to create one of Australasia's largest suppliers of building materials, and the takeover battle for liquor retailer Australian Leisure Hospital between Woolworths and Colesmyer. On the second of these, the firm acted for the ultimately successful Woolworths vehicle, Bruandwo.

Among the year's other highlights, Gilbert + Tobin helped Hochtief Airport set up an investment vehicle to hold a number of airport assets, including the company's interest in Sydney's airport.

Leading lawyers
Gary Besson
Gary Lawler

Key contact partners
Gary Besson
Gary Lawler

Arnold Boch Leibler

Managing partner Stephen Lanzer leads Arnold Bloch Leibler's M&A practice, which recently welcomed three senior associates to its M&A practice in response to increased activity. Arnold Bloch Leibler was recently instructed by the special committee of non-executive directors to provide Australian advice in connection with News Corporation's $50 billion recapitalization and reincorporation from Australia to the US. The firm also acted for Travel Distribution Services, a division of Fortune 500 company Cendant Corporation, in relation to its acquisition of Flairview Travel, an Australian internet business.

Key contact partner
Stephen Lanzer

Corrs Chambers Westgarth

Corrs Chambers Westgarth runs a solid M&A practice that receives a steady stream of work. Recently, a team led by Robert Mott advised the Foster's Group in connection with its A$3.2 billion ($2.5 billion) acquisition of Southcorp. Previously, in December 2004, the firm helped the same client negotiate the $845 million sale of its land development business to the Stockland Group.

The firm also acted for MPI Mines Limited on a takeover bid made by LionOre Mining International, which was conducted in tandem with a demerger and listing of MPI Mines' gold business. Other M&A instructions have included the $125 million sale of shares in Benchmark Healthcare Group to Ramsay Health Care, and Carlton & United Beverages' acquisition of assets held by water producer Koala Springs.

Key contact partner
Robert Mott

Project finance

Recommended firms
Tier 1
Allens Arthur Robinson
Freehills
Mallesons Stephen Jaques
Tier 2
Blake Dawson Waldron
Clayton Utz
Minter Ellison
Tier 3
Baker & McKenzie
Corrs Chambers Westgarth
Gadens
Phillips Fox

Allens Arthur Robinson

In project finance, market consensus is that the top tier is still very much a three-firm affair, with Allens Arthur Robinson being one of those firms. The firm continued to impress over the course of last year, winning mandates on a range of large, high-profile projects.

The firm took an important role as lead adviser for the acquiring consortium in relation to its A$1.8 billion ($1.4 billion) acquisition and related acquisition financing of the Dampier-to-Bunbury pipeline. In November 2004, the firm acted for the debt financiers to the ConnectEast consortium in connection with the A$3.8 billion Eastlink (formerly Mitcham-Frankston) toll road project. Another standout deal saw the firm win a role on the Alinta Wind Farm financing, the largest wind farm financing of 2004, and it also acted as Australian counsel to the borrower in connection with the A$150 million financing of Tipperary Corporation's interest in the Comet Ridge coal seam gas project. The deal was the first coal seam gas project financing in Australia.

Allens Arthur Robinson is also active in the area of public-private partnerships, having represented a range of sponsors, financiers, consortia and government bodies on various projects.

In terms of individual talent, there is no disagreement over Phillip Cornwell's status as a leading lawyer. From among the rest of the team, Melbourne partner Simon Lynch is also well regarded and Richard Gordon has emerged as an up-and-comer following his involvement in several key deals.

Leading lawyers
Phillip Cornwell
Diccon Loxton

Key contact partner
Phillip Cornwell

Freehills

According to market feedback, Freehills' project finance practice is a market leader. The firm goes from strength to strength, one client commenting on the "huge gap" between Freehills and many of its competitors. Nick Grambas and his team in Melbourne come in for considerable praise, and he is highly rated in terms of quality of advice, resources, responsiveness and value. Brendan Quinn is credited with being a rising star who runs a good practice.

Last year Freehills worked on a number of complex financings. For example, the firm played a big role in the A$1.8 billion sale ($1.4 billion) of the Dampier-to-Bunbury gas pipeline sale by acting for the senior debt providers. Another landmark deal was the £1.27 billion ($2.25 billion) acquisition financing of ntl:broadcast, on which the firm acted for borrower company Macquarie Communications Infrastructure Group.

The firm also worked on several interesting cross-border transactions, including acting for Pacific Hydro on a Chilean hydro-electric power project, advising the sponsors in connection with an independent power project in Mauritius, and representing Leighton Finance as a lending participant in the acquisition financing of an Indonesian coal mining business.

Leading lawyers
Nick Grambas
Patrick St John

Key contact partners
Nick Grambas
Patrick St John

Mallesons Stephen Jaques

Mallesons Stephen Jaques enjoyed another superb year in project finance, which served to reinforce its position as a top-tier firm. The firm's expertise in this area covers a wide range of sectors, including public-private partnerships, social and economic infrastructure, transport, energy and resources.

The firm is often selected as counsel on complex and high-profile projects, and the past year has been no exception. On the Eastlink urban expressways project, Mallesons acted for the successful bidder, the ConnectEast consortium, helping to arrange funding of A$2.1 billion ($1.6 billion) in bank debt and A$2.1 billion in equity raisings. Among the team's 13 partners, Jeff Clark and Tony Holland are best known in the market, and are consistently highly recommended. The market also recommends Richard Hoskins as an up-and-coming talent.

In May 2004 Mallesons acted for Westpac in relation to the acquisition financing of ExxonMobil's interests in the Cooper Basin gas and oil fields. The transaction involved a combined retail hybrid note issue and non-recourse project financing. The following month, Mallesons closed the A$150 million Comet Ridge coal seam gas project financing, the first of its kind in Australia. In another deal, the firm was praised for its work representing the ANZ-led syndicate of banks in relation to Oxiana's copper and gold project in Laos.

Leading lawyers
Jeff Clark
Peter Doyle
Tony Holland

Key contact partners
Peter Doyle
Tony Holland

Blake Dawson Waldron

Blake Dawson Waldron boasts a reputable project finance practice that complements the firm's strong energy practice. The firm has served as counsel to a good assortment of clients including ABN Amro, ANZ Bank, BankWest, Downer EDI, HSBC, Macquarie Bank, Qantas Airways, Rothschild, SG Australia and Telstra. Practice head John Field is recommended for his range of experience, and Perth partner Cam Johnson attracts positive comment.

The highlight for the project finance team last year was acting for a syndicate of lenders on the A$3.4 billion ($2.6 billion) refinancing of the Loy Yang A power station. Blake Dawson Waldron also had a role advising Alinta, a consortium member, in connection with the A$2.6 billion acquisition of the Dampier-to-Bunbury natural gas pipeline. Another interesting deal was the Guangdong LNG vessel project, in relation to which the firm provided Australian advice to Australia LNG as one of the sponsors. The project involved the transport of LNG from the North-West Shelf in Australia to the Guangdong LNG terminal. The team also has a strong focus on public-private partnership projects, having acted on several deals in the infrastructure, mining, gas and petroleum sectors.

Leading lawyers
John Field
Cam Johnston

Key contact partners
Geoff Daley
Joanne Evans
Cam Johnston

Clayton Utz

Firms with strong banking practices tend to be strong in project finance, and Clayton Utz is no exception. The firm has had a long association with the Dampier-to-Bunbury natural gas pipeline, acting for the original financiers and subsequently for the receivers and managers in the A$1.8 billion ($1.4 billion) sale to the winning consortium.

Clayton Utz acted for Hydro Tasmania on the financing for the Woolnorth Bluff Point wind farm, the first deal of its kind in Australia, where the wind farm was financed without selling the electricity under a long-term fixed price contract. Another deal highlights involved advising Calyon and Westpac on the A$134 limited-recourse financing of an equity interest in the Otway gas field, and providing Australian advice to the borrower on the Sepon gold and copper projects in Laos. At the time of writing, Clayton Utz recently completed the senior debt financing for China Light & Power's A$2.2 billion acquisition of Singapore Power's Australia merchant energy business.

The high level of work from private sector clients does not mean that Clayton Utz has abandoned its tradition of acting as advisers to government. Recently, for example, the firm was appointed to advise the government of New South Wales on Railcorp's rolling stock public-private partnership and on the Kooragang Island coal loader terminal project.

Grant Fuzi and Quentin Solomon continue to be the firm's best-known project finance personalities. Other lawyers who peers and clients singled out for praise included Janet Firkin and highly experienced practitioner Bradley Vann.

Leading lawyers
Janet Firkin
Grant Fuzi
Quentin Solomon
Bradley Vann

Key contact partners
Angela Flannery
Grant Fuzi
John Shirbin

Minter Ellison

Although Minter Ellison lost three Melbourne partners to Corrs Chambers Westgarth this year, the firm has managed to hold on to its ranking after a string of solid deals. The firm has also added a special counsel and several associates to its group of highly competent projects lawyers. In particular, Fred Tinsley is noted for his many years of experience.

The firm was visible on two of the more significant project finance deals last year. In the first, it acted for consortium participant Aloca World Alumina Australia in relation to the Dampier-to-Bunbury natural gas pipeline financing, and in the second, it co-advised the government on the Eastlink toll road project.

Minter Ellison also acted for Hastings Funds Management and Westpac in connection with the A$700 million ($539 million) acquisition of the Epic Rest gas pipelines. Ongoing work at the time of writing includes advising the Wharflink consortium's bid to develop the Northern Territory's first public-private partnership project, and representing the lenders to a bidding consortium led by Alinta, Babcock & Brown and Multiplex for the Gove trans-territory pipeline.

The practice's key clients include Singapore Power, Multiplex, Pacific Hydro and the Victorian government.

Leading lawyers
Peter Machin
Fred Tinsley

Key contact partners
Keith Rovers
Fred Tinsley
Andrew Venables

Baker & McKenzie

Baker & McKenzie's projects group is geared towards acting on large trade sale transactions and any related financing aspects. Recent examples include acting for Singapore Power in relation to the A$2.1 billion ($1.6 billion) sale of its Australian merchant energy business to CLP Power and Australia Energy Holdings, advising TXU Corp on the sale of TXU Australia to Singapore for A$5.1 billion, and acting for Tokyo Electric Power Company as a consortium participant in connection with its A$1.69 billion acquisition of the Loy Yang A power station.

The firm's most active partners in this area are Chris Saxon and Michael Kunstler.

Key contact partner
Chris Saxon