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Guide to cross-border tender offers in Japan

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Tokyo

Legal and regulatory framework

Tender offer

Tender offers are a way to purchase listed shares from the public other than through the stock exchange. But, in some situations, tender offers are mandated by the Securities and Exchange Law (the SEL), even though the purchaser is already in agreement with a small number of selling shareholders. In general, if a purchaser wants to acquire more than 5% of all the voting shares of a public company from more than 10 sellers during a 60-day period, or a purchaser is seeking to acquire one-third or more of all the voting shares of a publicly traded company, the transaction must be made by way of tender offer.

Cash offer

Tender offers are commenced by publishing of a commencement notice in two daily newspapers, and the tender offer registration statement must be filed with the local finance bureau on the same date. The tender offer must be open for at least 20 calendar days (but not more than 60 days). A foreign investor (a bidder) must act through a resident attorney-in-fact who represents the bidder in regard to the filing and other tender offer regulations. Some basic points concerning the conduct of cash tender offer are:

- Target shareholders may tender their shares during the tender offer period, but tender is revocable until the period expires.
- The bidder cannot discontinue the tender offer unless specifically permitted under the SEL.
- The bidder must purchase all the tendered shares unless the offer is conditioned on a minimum number of tendered shares, provided that the offer may also set in advance the maximum number of shares to be purchased.
- The bidder cannot change certain terms of offer to the detriment of the target shareholders (such as decreasing the price, shortening the tender offer period or adding conditions to the tender offer).

Exchange offer (share-for-share tender offer)

Although the consideration for the purchase of target shares can be either cash or shares or other securities, all deals to date seem to have been cash offers only. Exchange offers involve an offering to the target shareholders of shares in the bidder as consideration for purchase of target shares. In that sense, an exchange offer is a combination of the tender offer to



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Finding Business Results That Work

This joint venture of 22 professionals was formed in early 2003 when existing firms combined to offer the business community more closely integrated services on international and Japanese issues.

Areas of Practice

International business transactions, contracts and investments
Banking
Business insolvency and restructuring
Capital markets and share issues
Civil and criminal litigation
Corporate finance, securities and derivatives
Corporate law and corporate governance
Arbitration and alternate dispute resolution
Trademark and technology licensing
Entertainment law
Distribution, merchandising and franchising
Mergers & acquisitions, joint ventures and strategic alliances
Foreign direct investments
New business formation
Labor and employment matters
Real estate transactions and development
Regulatory and administrative agency clearances, including immigration
Tax matters
Valuation, auditing and due diligence

Norman Solberg is the first licensed foreign attorney in the Kansai area of Japan, which includes Osaka, Kobe and Kyoto and has a population of 24 million. He is a former General Counsel of a U.S. Fortune 500 corporation, the co-inventor of financial derivatives, and has worked on a wide variety of cutting-edge business issues and lawsuits. He is currently serving his second two-year term as Vice President of The American Chamber of Commerce in Japan and heads its Kansai Chapter.

acquire target shares and the public offering of the bidder's shares. Therefore, exchange offers cannot be commenced unless both the tender offer registration statement and the securities registration statement are filed.

Instead of the above exchange offer, the statutory share-for-share exchange under the Commercial Code of Japan (the Code) has been widely employed by Japanese companies since the introduction of the scheme in April 2000.

Statutory share-for-share exchange (kabushiki koukan)

In this scheme, two Japanese companies enter into a share exchange agreement whereby one company (the target) becomes a wholly owned subsidiary of the other company (the acquirer) by operation of law by way of transfer of target shares to the acquirer in exchange for acquirer shares (to the target shareholders). The Code requires the shareholder approval of both companies by two-thirds or more affirmative votes. Interestingly, this share-for-share exchange is not subject to the tender offer regulations under the SEL and the disclosure to the shareholders of the transaction for approval is governed by the Code. Neither the tender offer registration statement nor securities registration statement is required for this statutory share exchange scheme.

This statutory share-for-share exchange scheme is not available for a foreign company planning to acquire a Japanese company because the Code does not provide for a cross-border share-for-share exchange. Likewise, the Code does not provide for a cross-border merger of a Japanese corporation and a non-Japanese corporation. But new corporate law is expected to provide acquisition methods to foreign companies (see below).

Modernization of corporate law

The project of modernizing corporate law that is now under way is expected to introduce flexibility in merger consideration and other new transactional structures in the area of M&A, including the cash-out merger procedure and the use of securities of a non-merger party as merger consideration. The shares of a surviving corporation (or new corporation being created upon merger) must be provided to shareholders of the disappearing corporation upon merger, and a cash only merger or use of securities of another company is not permitted under the Code. If these changes are implemented, a share-for-share acquisition through a triangle merger, for example, would be allowed so that a foreign company incorporates a 100% owned subsidiary in Japan which will merge with a target Japanese company, using foreign parent shares as merger consideration.

Hostile takeovers

Two recent unique deals were both hostile tender offers concurrently started on December 19 2003 by Steel Partners, a US private equity house, to acquire shares in two small-cap Japanese companies, Yushiro Chemical Inc and Sotoh Co Ltd. The Sotoh deal subsequently developed into a competing bid by a white knight, NIF Ventures, a venture fund affiliated with Daiwa SMBC. The offer price by Steel Partners, originally at ¥1,150 (\$10.50) per share was increased twice, up to ¥1,550. In both cases, Steel Partners' attempts ended unsuccessfully as a result of share price

increase in response to the dividend increase announcements by the targets. But the hostile takeover is still quite rare in Japan, with only a handful of precedents such as the takeover by Cable & Wireless of IDC in 1999, and these two deals were a wake-up call for Japanese companies with a pool of reserved earnings that may attract acquisition interest. They're starting to seriously consider adopting defensive measures.

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**** Ashurst, Tokyo and Ashurst Tokyo Law Office are registered joint enterprise offices and through this arrangement provide legal advice as to Japanese and English laws.*

Banking – local firms

Recommended firms

Anderson Mori

Atsumi & Partners

Mori Hamada & Matsumoto

Nagashima Ohno & Tsunematsu

Nishimura & Partners

Asahi Koma Law Offices

Freshfields Law Office

Mitsui Yasuda Wani & Maeda*

City-Yuwa Partners

Hashidate Law Office

TMI Associates/Simmons & Simmons

Iwata Godo

New Tokyo International

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

Kandabashi Law Offices/White & Case

Tomotsune & Kimura

Yanagida & Nomura

** Mitsui Yasuda Wani & Maeda is set to disband by the end of 2004*

Anderson Mori

Anderson Mori is an independent, full-service law firm with a strong and established reputation for banking and finance advice. The practice is capable of advising on matters including syndicated loans, interest and currency swaps, derivatives, management buyouts, funds and the launch of new financial products. Partner Takashi Akahane advises local and international clients as well as Japanese ministries, and continues to be a leader in the field. Tatsu Katayama is recommended for his international practice, which includes capital markets and securitization. Research also names Kunihiko Morishita as an established name in the domestic and international securities and finance field.

The firm has an impressive list of local and international clients including investment banks, insurance companies, law firms, government agencies, airlines, telecommunications companies and pharmaceutical corporations.

Leading lawyers

Takashi Akahane
Tatsu Katayama
Kunihiko Morishita

Atsumi & Partners

Atsumi & Partners is a firm that maintains its reputation as an active player in the banking and finance market, acting for local and international clients. Particularly respected for its asset finance work, the firm also advises on a wide range of issues, including securities, banking, syndicated loans, securitization and derivatives.

Hiroo Atsumi, educated in Japan and New York, is widely regarded as a progressive and accomplished lawyer with a terrific reputation among his competitors. The firm acts for local clients and has the capacity to explain the intricacies of Japanese law to international clients. The firm can also advise on large and cross-border transactions.

Leading lawyer

Hiroo Atsumi

Mori Hamada & Matsumoto

A merger in 2002 between the two firms Mori Sogo and Hamada & Matsumoto created a new contender in the Japanese market for corporate and banking transactions. The firm advises both borrowers and lenders on the domestic and international stage on matters including syndicated loans, mezzanine financing, regulatory issues, synthetic leases and other structured financing techniques. The practice also has a firm grasp on the fledgling asset-backed securities market in Japan. Toru Ishiguro has a strong reputation among his peers for his finance work and Masanori Sato is also singled out as a leader and has a particular focus on securitization.

Leading lawyers

Toru Ishiguro
Masanori Sato

Nagashima Ohno & Tsunematsu

One of the largest Japanese firms, with 189 lawyers, Nagashima Ohno & Tsunematsu has a reputation for being both outward-looking and focused on the needs of its clients. The finance group, with around 18 lawyers, advises on a broad range of issues for local and international banks and securities houses. Specific practice areas include derivatives, syndicated loans, project finance, regulation, foreign trade and aircraft finance. The firm also advises clients on setting up financial institutions, registering and licensing securities businesses and developing innovative financial products.

Partner Satoshi Inoue is considered a talented lawyer, and specializes in asset-based finance, structured finance, banking and tax. Hidetaka Mihara is also considered to be among the best banking lawyers in the country, particularly in capital markets, securities and finance.

Clients of the firm include Citibank, GE Capital, Goldman Sachs and Morgan Stanley Dean Witter.

Leading lawyers

Satoshi Inoue
Hidetaka Mihara

Nishimura & Partners

Nishimura & Partners was founded in 1966, and a merger in 2004 with bankruptcy-focused Tokiwa Sogo Law Offices has created a firm of considerable size and expertise. International and financial transactions are one of the key strengths of the firm, and the international finance team can provide a wide variety of legal services for both domestic and international transactions. Private and government clients are advised on banking, asset-backed and structured finance, investment management and mutual funds as well as insurance. The finance group has the advantage of working alongside a stellar project finance group which has added substantial strength recently, hiring a team of 10 lawyers from the soon-to-be-disbanded Mitsui Yasuda Wani & Maeda.

Leading lawyers

Masaru Ono
Katsu Sengoku

Asahi Koma Law Offices

Asahi Koma Law Offices has offices in Tokyo and Beijing, and was the first Japanese firm to have an office in New York. With 130 lawyers the firm is one of the largest in the country, and offers a broad range of commercial and financial services. The finance group acts for domestic and international

securities firms, banks, trust banks, investment advisory companies, securities and investment trust brokers, life and non-life insurance companies and non-bank financial institutions. On the regulatory front, the firm advises financial entities on compliance, new product development and a whole host of other issues that have been created by deregulation.

Freshfields Law Office

Freshfields Law Office is the local arm of the Freshfields presence, and operates in association with Freshfields Foreign Law Office. Combined, the two offices have nine partners and 25 other lawyers.

The finance group is commended for its advice to domestic and international clients on aspects of Japan's finance laws. In particular the group advises on securitization, structured finance, commercial banking and project finance. Partner Naoki Kinami demands a great deal of respect from his competitors for both his leadership and legal skills, and focuses primarily on international finance, trade and business matters.

Leading lawyer

Naoki Kinami

Mitsui Yasuda Wani & Maeda

Mitsui Yasuda Wani & Maeda has been a solid firm whose 13-partner and 34-associate banking practice continued to advise some of the banking market's biggest clients over the past year. However, from April 2005, when the rules governing foreign attorneys change, the firm will partly be absorbed by Linklaters, with the rest of the firm disbanding by the close of 2004.

Over the year though, the group has acted regularly for clients such as The Bank of Tokyo-Mitsubishi, Sumitomo Mitsui Banking Corporation, Development Bank of Japan, UFJ Bank and Mizuho Corporate Bank. Specific examples of work include acting on sovereign and other syndicated loans, documenting swaps, advising on leveraged leases and assisting with specialized lending matters such as commercial real estate and ship financing. Hiroshi Maeda, Takuhide Mitsui and Akihiro Wani are all considered leaders in the field.

Banking – foreign firms

Recommended firms

Allen & Overy

Clifford Chance Tanaka Akita & Nakagawa

Linklaters

Baker & McKenzie/Tokyo Aoyama Aoki Law Office

Davis Polk & Wardwell

Freshfields Foreign Law Office

Sullivan & Cromwell

White & Case/Kandabashi Law Offices

Ashurst

CGSH Law Offices

Lovells

Morrison & Foerster/Ito & Mitomi

Shearman & Sterling

Simpson Thacher & Bartlett

Herbert Smith

Jones Day Tokyo

Latham & Watkins

Orrick Tokyo Law Offices

Paul Hastings Janofsky & Walker

Milbank Tweed Hadley & McCloy

Morgan Lewis & Bockius

Skadden Arps Slate Meagher & Flom

Allen & Overy

Allen & Overy is one of the best firms in Japan for the provision of top-drawer banking and finance advice. The banking and project finance department has hired a new associate from Addleshaw Goddard and has brought over three associates from the London office, and now consists of three partners and seven associates. Partner Thomas Brown has relocated to Hong Kong, and was replaced by Alex Moncrieff. Aled Davies is considered to be a leader in the field, and is recommended for his banking, structured and project finance experience.

Recent deals include advising Japan Bank for International Cooperation (JBIC) and a group of commercial banks (led by Mizuho Corporate Bank) on financing a

\$150 million floating production storage and offloading unit in the Su Tu Den Oil Field in Vietnam. The group also advised JBIC on a structured financing for the development of various petrochemical projects in Iran, and acted for Mizuho Corporate Bank on the financing documentation related to a \$240 million term loan to be made available to Yamaha Motor Co and other Yamaha companies.

As one would expect, the firm has an impressive array of clients including Japan Bank for International Cooperation (JBIC), Sumitomo Mitsui Banking Corporation, BNP Paribas, Mizuho Corporate Bank, Ltd. and Citibank.

Key contact partners

Aled Davies
Adam Moncrieff

Leading lawyer

Aled Davies

Clifford Chance Tanaka Akita & Nakagawa

A joint venture between this leading global firm and one of the largest local firms has resulted in a Tokyo office of 47 local and international lawyers who come highly recommended for local and international finance advice. The team provides both English and local capabilities in connection with a broad range of international and domestic transactions. Specific areas include asset-based financing, bank lending and project developing and financing.

Former team leader Robert Burley has relocated to London.

Key contact partner

Peter Avery

Linklaters

Linklaters has the capability to handle the most complex finance deals. As part of an award-winning and highly regarded Asia-Pacific network, the firm benefits from some of the best resources and expertise. The office has five partners and over 30 lawyers who advise on bank finance, capital markets and corporate transactions. Managing partner Tony Grundy has an excellent reputation for his capital markets practice which includes global equity issues and structured finance. Mark Brown is also a respected player in the market.

Linklaters is poised to take advantage of the changes to Japanese legislation that will allow multi-national partnerships, and from April 1 2005 has elected high-profile local lawyers Mitsuhiro Yasuda and Akihiro Wani as partners who will join the office with a team of 20 lawyers from the soon-to-be-no-more Mitsui Yasuda Wani & Maeda. Wani will become joint head of the office alongside Tony Grundy. Both lawyers and their team will bring with them local banking, derivatives and structured finance knowledge, as well as established client contacts.

Key contact partners

Mark Brown
Tony Grundy

Leading lawyers

Mark Brown
Tony Grundy

Baker & McKenzie/Tokyo Aoyama Aoki Law Office

Baker & McKenzie/Tokyo Aoyama Aoki Law Office is one of the leading law firms providing banking and finance advice in Japan. A combination of locally qualified lawyers and foreign expertise, backed up by a global network of resources and know-how, makes this firm an excellent choice for complex, cross-border legal advice. Other practice areas of the group include corporate/M&A, dispute resolution, finance and securities, IP & IT, projects and tax.

Davis Polk & Wardwell

Active in Japan since 1923, today Davis Polk & Wardwell is one of the top US players in Tokyo. The firm is one of the best for banking and finance advice, and advises on complex transactions involving Japanese companies and the Japanese marketplace in general. The Tokyo office's two partners and eight associates draw on the expertise of colleagues in other offices where necessary. The Tokyo office is focused on finance, capital markets and mergers and acquisitions/joint ventures involving Japanese and foreign enterprises.

Partner Theodore Paradise is highly regarded in the market and combines a corporate finance practice with corporate work.

Leading lawyer

Theodore Paradise

Freshfields Foreign Law Office

The international arm of the Freshfields Tokyo joint venture, Freshfields Foreign Law Office is recommended for its international advice and counts domestic and international financial institutions as clients. Lehman Brothers, Banque AIG and Sumitomo Mitsui Banking Corporation are all clients of the firm. Naoki Kinami is considered "a leading light" by peers.

Leading lawyer

Naoki Kinami

Sullivan & Cromwell

US law firm Sullivan & Cromwell has been operating in Tokyo since 1987 and specializes in securities offerings, M&A, privatizations and real estate matters for leading Japanese companies. Significant transactions led by the

Tokyo office include advising the underwriters for Development Bank of Japan's ¥105 billion (\$938.2 million) 20-year bond, and acting as lead managers in the ¥171 billion Daido Life Insurance Company demutualization and initial public offering.

The office has the capacity to advise on Japanese legal issues through a joint-venture arrangement with Japanese *bengoshi* partner Izumi Akai, who has five years' experience at the firm's New York office. Partner John Young was also recommended for his extensive knowledge of the Asian finance market.

Leading lawyers

Izumi Akai
John Young

White & Case/Kandabashi Law Offices

The office of White & Case/Kandabashi Law Offices has six partners and 20 associates following the recruitment of an associate from GE Edison Life Insurance. US-, UK- and Japanese-qualified lawyers regularly advise on bank finance, asset finance and recapitalization transactions. Robert Grondine is a recommended leader in the field, and has a focus on asset-based structured finance and tax-effective finance transactions. Christopher Wells also garners praise for his financing and banking transactions, including in respect of cross-border and securitization matters.

Recent transactions include: advising on the structuring of aircraft leasing transactions as counsel to various Japanese banks and leasing companies, foreign airlines and credit support providers (including manufacturers) in all forms of leveraged leases for international aircraft investments and acquisitions of other capital equipment; advising (in conjunction with the New York office), WestLB, as lender and agent, in connection with restructuring multiple aircraft leasing transactions resulting from the UAL bankruptcy; and acting for Japanese investors and managers regarding numerous aircraft operating lease investments.

Key contact partner

Christopher Wells

Leading lawyers

Robert Grondine
Christopher Wells

Ashurst

Ashurst's Tokyo operation is developing a profile and an established expertise in banking and project finance matters. Through a joint enterprise between Ashurst and Ashurst Tokyo Law Office, the firm can offer English and Japanese legal advice and regularly advises banks, sponsors and contractors on projects throughout Asia and the Middle East, particularly in the fields of power, telecommunications,

transport infrastructure, mining, oil and gas, and water projects. A dedicated Japan group in the London office ensures a continuity of service for Japanese clients with European interests.

Clients include Japanese and UK entities, including construction and industrial companies, trading houses and banks.

CGSH Law Offices

Registered Association

CGSH Law Offices (Cleary Gottlieb Steen & Hamilton's Japanese firm) has bulked up its Tokyo practice with the addition of two new assistants. The practice is headed up by leading *bengoshi* partner Steven Wilner. The firm represents Japanese and foreign financial institutions and corporations on a range of matters governed by US and Japanese law. Together with the firm's international offices, the team has the capacity to deal with the complex financial and legal structuring necessitated by cross-border transactions.

The firm recently advised Citigroup Commercial Mortgage Asia on the granting of a ¥12 billion (\$107.2 million) loan facility to Japanese companies that are primarily funded by US investment funds. The loan is secured by a portfolio of Japanese real estate on which self-storage business are operated. The firm also advised Goldman Sachs on its ¥150.3 billion investment in the Sumitomo Mitsui Banking Corporation.

Clients of Cleary Gottlieb's Tokyo office include Schneider Electric, Newbridge Capital, LLC, Citigroup Principal Investments (Japan), Dow Corning Asia and Valeo.

Key contact partner

Steven Wilner

Leading lawyer

Steven Wilner

Lovells

The Tokyo office of global firm Lovells has been open since 1990 and divides its time between advising international clients with Japanese interests and acting for local Japanese financial institutions, corporations and businesses. On the financial front, the firm specializes in banking and project finance as well as international capital markets and structured finance transactions, including securitizations, repackagings and credit derivatives products.

Key contact partners

Michael Hancock
Timothy Lester

Morrison & Foerster/Ito & Mitomi

Morrison & Foerster/Ito & Mitomi continues to bolster its Japanese capability with more hires. This year the firm has

recruited leading banking lawyer Katsuhiko Fujihira and corporate attorney Yukako Wagatsuma from Mitsui, Yasuda, Wani & Maeda, who will join Morrison & Foerster's Japanese joint venture, Ito & Mitomi, as partners.

Ito & Mitomi works closely with Morrison & Foerster's Tokyo office, and offers integrated US and Japanese law advice on multi-jurisdictional transactional matters. Recently the team advised Rakuten, the leading Japanese Internet portal, in connection with its \$110 million investment in Ctrip.com International, China's largest travel consolidator. Ctrip, which was established in March 2000, is listed on Nasdaq and incorporated in the Cayman Islands.

Leading lawyer

Katsuhiko Fujihira

Shearman & Sterling

Shearman & Sterling has a small but highly respected practice that benefits from the firm's stellar client list of global investment banks and financial institutions. The resident partner Masahisa Ikeda, who joined from Cleary Gottlieb Steen & Hamilton in 2002, is locally qualified and specializes in advising clients in Japan on finance and capital markets transactions. The firm also offers advice on a wide range of legal matters, including real estate, banking, securities, mergers and acquisitions, international trade and litigation assignments.

Working closely with the firm's other offices, Tokyo's lawyers tap the full range of Shearman & Sterling's resources to work on international transactions involving Japanese clients. Tokyo also provides legal advice to US and other foreign clients working in Japan and elsewhere in Asia. Previous transactions include advising 7-Eleven in connection with a yen-denominated limited-recourse royalty financing arranged by Citibank.

Key contact partner

Masahisa Ikeda

Simpson Thacher & Bartlett

Simpson Thacher & Bartlett's Tokyo office was established in 1990 and has two partners and six associates who work closely with the New York office. Head of the office, David Sneider, focuses on both financial and corporate transactions and fellow partner Alan Cannon advises clients on capital markets and cross-border and international corporate finance transactions. Previous transactions include advising Japan Telecom on its sale of a 30% stake to British Telecom and AT&T Corporation and its subsequent alliance with Vodafone Group, and acting for Ripplewood in connection with its acquisition of the Long-Term Credit Bank (now Shinsei Bank).

Key contact partner

David Sneider

Jones Day Tokyo

Jones Day has had a presence in the market since 1989 and advises multinational and Japanese clients on corporate, financial, and commercial transactions involving Japan, the US, and other major international jurisdictions. In 1992 the firm entered into a joint-venture arrangement with Showa Law Office and the financial capabilities of the two firms include asset-based financing and leasing, derivatives, international lending, project finance and securitization. On the corporate side the firm has recruited M&A lawyer Scott Jones, taking the number of lawyers in Tokyo to 23, 18 of whom are *bengoshi*.

Key contact partner

John Roebuck

Capital markets (debt) – local firms

Recommended firms

Nagashima Ohno & Tsunematsu

Tomotsune & Kimura

Anderson Mori

Mitsui Yasuda Wani & Maeda*

Mori Hamada & Matsumoto

Nishimura & Partners

Asahi Koma Law Offices

Atsumi & Partners

Freshfields Law Office

Matsuo & Kosugi

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

* Mitsui Yasuda Wani & Maeda is set to disband by the end of 2004

Capital markets (equity) – local firms

Recommended firms

Anderson Mori

Mori Hamada & Matsumoto

Nagashima Ohno & Tsunematsu

Tomotsune & Kimura

Ito & Mitomi/Morrison & Foerster

Mitsui Yasuda Wani & Maeda*

Nishimura & Partners

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

Asahi Koma Law Offices

Freshfields Law Office

Matsuo & Kosugi

Blakemore & Mitsuki

Hashidate Law Office

TMI Associates/Simmons & Simmons

Iwata Godo

New Tokyo International

* Mitsui Yasuda Wani & Maeda is set to disband by the end of 2004

Anderson Mori

Anderson Mori is an independent, full-service law firm with 31 partners and 77 associates. It is considered a local leader in the area of capital markets. The firm advises on the issuance of shares and corporate bonds and notes, initial public offerings, listings and over-the-counter registration of shares of foreign companies or international organizations in Japan, and share offerings related to privatization of state-owned business and Japanese companies.

Highlights of the year include advising Taiyo Life Insurance Company on the Japanese law aspects of its \$645 million conversion from a mutual insurance company owned by its policyholders to a joint stock corporation and its initial public offering registered in Japan, including a 144A/Regulation S offering outside Japan.

Clients range from Japanese corporations, foreign-owned and foreign business enterprises and financial institutions in Japan and abroad to government agencies, local governments and other government-related institutions, as well as accounting firms, auditing firms and foreign law firms.

Partners Hirohito Akagami, Tatsu Katayama, Akira Kawamura and Masaakira Kitazawa are all listed in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*.

Leading lawyers

Hirohito Akagami

Tatsu Katayama

Akira Kawamura

Masaakira Kitazawa

Mitsui Yasuda Wani & Maeda

Mitsui Yasuda Wani & Maeda is a highly respected local firm, which from April 2005 will be partly absorbed by Linklaters, with the rest of the firm disbanding by the close of 2004. Leading lights Mitsahiro Yasuda and Akihiro Wani, along with a team of 20 lawyers, have been snapped up by Linklaters, which stands to seriously benefit from the addition of these leading *bengoshi*. Takuhide Mitsui, another clear leader, is expected to open his own practice.

The firm has been a leader in the area of capital markets for sometime and the lawyers of this firm have stellar experience on both the local and international markets. Rival firms that absorb the remainder of the practice can be confident of recruiting lawyers with broad experience.

Mori Hamada & Matsumoto

Mori Hamada & Matsumoto is a local leader with a good combination of regulatory and transactional skills. Among the year's highlights, it advised Japan Retail Fund Investment Corporation on its \$437 million follow-on global offering of investment units in reliance on a public offering in Japan, and a Rule 144A and Regulation S offering in the US and Europe. It also acted for the international managers, led by Daiwa Securities, on the \$645 million conversion of Taiyo Life Insurance Company from a mutual insurance company to a joint-stock corporation, as well as on the related initial public offering registered in Japan, including a Rule 144A and Regulation S offering outside Japan.

Masanori Sato is singled out by the market as having extensive experience and well-honed transactional skills.

Key contact partner

Masanori Sato

Leading lawyer

Masanori Sato

Nagashima Ohno & Tsunematsu

With 189 lawyers, Nagashima Ohno & Tsunematsu is one of the largest law firms in Tokyo and is recommended for its finance and capital markets expertise. Ten partners and 12 associates are committed to debt capital markets work.

Miyuki Ishiguro is well respected for his capital markets work, and the firm handles all types of securitizations and debt and equity work.

Highlights of the year include advising Sony on its issue of ¥220 billion (\$1.9 billion) (plus a ¥30 billion greenshoe option) convertible bonds with a 47.5% conversion premium due 2008 underwritten by Goldman Sachs and Merrill Lynch, the largest convertible issue by a Japanese company in 2003. Previous work includes advising Nikko Salomon Smith Barney on Fujitsu's issue of zero coupon convertible bonds. On the debt side the firm advised the Japan Finance Corporation for Municipal Enterprises on a \$1.2 billion SEC-registered global bond offering of 1.35% guaranteed bonds.

Clients of the firm include Citibank, GE Capital, Goldman Sachs and Morgan Stanley Dean Witter.

Nishimura & Partners

Nishimura & Partners is a large firm with 150 lawyers, and it is continuing to build its numbers. The firm will be considerably boosted with the hiring of Hiroshi Maeda, one of the senior partners of leading rival Mitsui Yasuda Wani & Maeda, and a team of 10 Japanese lawyers and one foreign counsel. The team is set to join on October 1 2004. The new recruits should make Nishimura a serious player in the area of project finance and corporate restructuring. The firm has also promoted three new partners internally recently – Megumi Shimizu, Yatsutaka Nishikori and Takefumi Sato. Nishikori is a capital markets specialist.

The firm advises foreign governments, multinational enterprises and international organizations that have an interest in the Japanese market financings. Experience also extends to initial public offerings and share listings on Japanese and foreign stock exchanges. Leading lawyers include Toshihiro Maeda, Masaru Ono and Takashi Yoneda.

Key contact partner

Takashi Yoneda

Leading lawyers

Hiroshi Maeda
Toshihiro Maeda
Masaru Ono
Takashi Yoneda

Tomotsune & Kimura

Tomotsune & Kimura has 26 bilingual lawyers, and is considered to be one of the main players in the capital markets arena, with experience dating back to the emergence of yen-dominated bonds (samurai bonds) in the seventies. The firm advises on complex financial products for non-Japanese issuers, as well as on the full range of public offerings and private placements of debt by public and private overseas issuers. Akiko Kimura and Nobu Tomotsune are

both considered capital markets experts, and are mentioned in Euromoney's *Guide to the World's Leading Capital Markets Lawyers*.

Highlights of the past year include advising the managers on \$1.4 billion-worth of four concurrent offerings in reliance on Regulation S, comprising three bond offerings with total principal amount of ¥150 billion (\$1.34 billion) and a ¥48.7 billion share offering, and acting for the Development Bank of Japan on a \$638 million SEC-registered global bond offering of guaranteed bonds.

Clients include government institutions, financial institutions (including Merrill Lynch, BNP Paribas and the Development Bank of Japan), real estate companies and construction companies.

Key contact partners

Akiko Kimura
Nobu Tomotsune

Leading lawyers

Akiko Kimura
Nobu Tomotsune

Capital markets (debt) – foreign firms

Recommended firms

Allen & Overy

Clifford Chance Tanaka Akita & Nakagawa

Davis Polk & Wardwell

Freshfields Foreign Law Office

Linklaters

Orrick Tokyo Law Offices

Simpson Thacher & Bartlett

Skadden Arps Slate Meagher & Flom

Sullivan & Cromwell

Ashurst

Lovells

Milbank Tweed Hadley & McCloy

White & Case/Kandabashi Law Offices

CGSH Law Offices
Morrison & Foerster/Ito & Mitomi
Paul Hastings Janofsky & Walker
Paul Weiss Rifkind Wharton & Garrison
Pillsbury Winthrop
Shearman & Sterling
Squire Sanders & Dempsey

Capital markets (equity) – foreign firms

Recommended firms

Davis Polk & Wardwell
Linklaters
Simpson Thacher & Bartlett
Sullivan & Cromwell
Allen & Overy
Freshfields Foreign Law Office
Morrison & Foerster/Ito & Mitomi
Shearman & Sterling

CGSH Law Offices
Clifford Chance Tanaka Akita & Nakagawa
Milbank Tweed Hadley & McCloy
Paul Weiss Rifkind Wharton & Garrison
Skadden Arps Slate Meagher & Flom

Ashurst
Lovells
Orrick Tokyo Law Offices
Pillsbury Winthrop
Squire Sanders & Dempsey
White & Case/Kandabashi Law Offices

Allen & Overy

This highly regarded team at Allen & Overy has shown a commitment to expansion this year, with the appointment of capital markets specialist Piyasena Perera to the partnership. Piyasena joined the Tokyo office in 2002 and specializes in a wide range of equity and debt securitization transactions

including US SEC registered initial public offerings, secondary offerings and shelf registrations as well as Rule 144A and Regulation S offerings and private placements. The team has also added an associate from Ashurst to its debt capital markets team, to bring the numbers to three partners and nine associates.

Stand-out debt transactions include advising Citigroup as arranger of the new \$1 billion medium-term note programme by The Tokyo Star Bank, and acting for Daiwa Securities as arranger and swap counterparty on the first managed collateralized debt obligation, worth ¥5.4 billion (\$48.2 million) on Japanese names arranged by a Japanese house (Daiwa Securities). A third highlight saw the firm advising Nikko in connection with the issue of ¥23 billion zero convertible bonds by Citizen Watch.

Despite debt capital markets being the traditional strength of the capital markets practice, the firm also has a solid reputation for equity and structured finance. This year it advised Daiwa Securities as arranger and swap counterparty on the first public collateralized equity obligation (CEO) transaction, believed to be the first rated CEO transaction, the first to be backed exclusively by equity default swaps and the first to be issued in multiple tranches.

Clients include Daiwa Securities, Merrill Lynch, Credit Suisse First Boston and Mizuho Securities.

Key contact partners

Paul Cluley
Piyasena Perera

Clifford Chance Tanaka Akita & Nakagawa

Clifford Chance Tanaka Akita & Nakagawa enjoys solid relationships with the big investment banks, resulting in its high rating for capital markets work. The office has suffered the departure of capital markets specialists Rob Burley and Matthew Cahill, who have transferred to the London office, but as one would expect from a firm of this stature, there is strength in depth and the effect should be minimal. Tim Jeffares, who specializes in debt restructuring and project finance work, is now the managing partner of the Tokyo office. The capital markets team is part of a global group of 100 partners and some 400 lawyers with the resources to undertake the most complex debt transactions.

Key contact partner

Tim Jeffares

Davis Polk & Wardwell

One of the most highly regarded US firms in Tokyo, this office is particularly recommended for giving capital markets work serious priority and is ranked in the top tier for both equity and debt matters. A team of two partners and seven lawyers is regularly involved with structuring transactions in Japan, Korea, the PRC, Taiwan and south-east Asia. Theodore Paradise is highly regarded in the market

and concentrates on corporate finance transactions, representing issuers and underwriters in global and US-targeted securities offerings by Japanese issuers.

This year the team advised Bear Stearns as lead manager of a \$250 million Rule 144A and Regulation S offering of trust certificates by Philippine Power Trust I, a special purpose trust. The trust used the proceeds from the offering to acquire a \$250 million promissory note issued by National Power Corporation, with the payments guaranteed by the Republic of the Philippines. Another recent matter saw the firm advising on an \$850 million SEC-registered Schedule B notes offering by The Korea Development Bank.

Equity deals included advising the managers on JR-West's \$2.4 billion global offering of common stock in reliance on a Japanese public offering, and a Rule 144A/Regulation S offering. As a result of the offering, JR-West fully completed its privatization started in 1987. The firm also acted for Taiyo Life Insurance Company on its \$645 million conversion from a mutual insurance company to a joint-stock corporation, as well as its initial public offering registered in Japan, which included a Rule 144A and Regulation S offering outside Japan; and acted on a \$1.8 billion combined US private placement and Regulation S offering of common stock by technology company NEC Corporation.

Key contact partner

Theodore Paradise

Leading lawyer

Theodore Paradise

Freshfields Foreign Law Office

The international arm of the Freshfields Tokyo joint venture, Freshfields Foreign Law Office has an excellent reputation for its capital markets work. Mark Keeler is highly recommended, and his focus includes securitizations, international debt and equity offerings, structured financings and regulatory advice. James Lawden also has a strong reputation and his experience includes advising on a lease securitization transaction for a large Japanese leasing company and on share monetization transactions for various arrangers.

Key contact partners

Mark Keeler

James Lawden

Leading lawyers

Mark Keeler

James Lawden

Linklaters

Linklaters is a serious player in the Japanese capital markets with an aggressive growth strategy. Widely considered by the market as a quality outfit on both debt and equity issues, recent highlights include advising CSK Corporation on a \$180 million issue of zero coupon convertible bonds, acting for Merrill Lynch on \$90 million and \$126 million issues of convertible bonds by Autobacs Seven and Nipro Corporation. A third highlight was advising Tokyu Reit on a \$467.3 million initial public offering, while the firms also acted for Goldman Sachs and Merrill Lynch as underwriters of Sony's issue of ¥220 billion (\$1.9 billion) (plus a ¥30 billion greenshoe option) convertible bonds with a 47.5% conversion premium due 2008, the largest convertible issue by a Japanese company in 2003.

A huge boost to Linklaters' Japanese legal capacity will occur in April 2005, after the firm elects Mitsuhiro Yasuda and Akihiro Wani from Mitsui Yasuda Wani & Maeda as partners based in the firm's Tokyo office.

Shearman & Sterling

Particularly well regarded for equity work, Shearman & Sterling's Tokyo office advised Nippon Mirai Capital in 2002 regarding the establishment of a \$200 million offshore fund supported by funds of the Japanese government – the first reconstruction fund in Japan. The fund invests in equity and other assets of distressed businesses in Japan. The establishment of such funds has become a growth industry in Japan, and the Tokyo office worked on creating five more of these funds in 2003, including advising the LongReach Group on its formation of an offshore fund to invest in equity and debt securities and other assets in Asia using a short- or long-term hold strategy.

Simpson Thacher & Bartlett

Simpson Thacher & Bartlett is particularly well regarded for equity, but it boasts a more than respectable debt practice as well. Equity highlights include advising Seiko Epsom Corporation on a \$1.1 billion global initial public offering of shares of its common stock (including Rule 144A and Regulation S components) in connection with its initial listing on the Tokyo stock exchange. David Sneider is considered to be one of the best capital markets lawyers in Tokyo.

Leading lawyer

David Sneider

Sullivan & Cromwell

Dynamic duo Izumi Akai and John Young lead a team of 11 associates handling capital markets work at Sullivan & Cromwell, one of the top US firms in this area. The team is particularly highly rated for equity offerings, and had a

busy year that included: advice to JR-West and the selling shareholder in a \$2.4 billion global offering of common stock in reliance on a Japanese public offering and a Rule 144A and Regulation S offering; advice to Japan Retail Fund Investment Corporation on a \$437 million follow-on global offering of investment units in reliance on a public offering in Japan and a 144A and Regulation S offering in the US and Europe; and advice to the managers, co-led by Nikko Citigroup and Morgan Stanley, on a \$1.1 billion global initial public offering of shares of its common stock including Rule 144A and Regulation S components, in connection with its initial listing on the Tokyo stock exchange.

On the debt side the team advised Softbank on a \$500 million high-yield Regulation S debt offering, the first high-yield debt offering in Europe by a Japanese company. The firm advised the same client on four concurrent Regulation S euro-offerings (worth \$1.4 billion) – three bond offerings with a total principal amount of ¥150 billion (\$1.3 billion), and a share offering with the total amount of ¥48.7 billion. A third highlight was advising lead managers Citigroup, Mizuho International, and Nomura International on a \$1.2 billion SEC-registered global bond offering of 1.35% guaranteed bonds.

Key contact partners

Izumi Akai
John Young

Capital markets (structured finance) – local firms

Recommended firms

Atsumi & Partners

Nagashima Ohno & Tsunematsu

Nishimura & Partners

Tomotsune & Kimura

Anderson Mori

Freshfields Law Office

Mitsui Yasuda Wani & Maeda*

Mori Hamada & Matsumoto

Ito & Mitomi/Morrison & Foerster

Matsuo & Kosugi

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

* Mitsui Yasuda Wani & Maeda is set to disband by the end of 2004

Atsumi & Partners

One of the leading local firms for structured finance matters, Atsumi & Partners regularly advises on asset-backed securities, mortgage-backed securities, asset-backed commercial paper issues, establishing and managing special purpose vehicles (SPVs), and structuring transactions through SPVs. Leading lawyer Hiroo Atsumi combines a practice in structured finance with banking, international finance and corporate work.

Leading lawyer

Hiroo Atsumi

Nagashima Ohno & Tsunematsu

One of the biggest and best-known local firms for securitization, Nagashima Ohno & Tsunematsu has been active in this practice area for over 20 years and has been involved in many of the first transactions of particular kinds in Japan. It worked on the first securitization of real estate under the Asset Securitization Law and the first securitization of housing loans in Japan.

The firm handles a wide variety of asset securitizations using structures permitted under various Japanese laws and regularly advises on the issuance of asset-backed securities and commercial paper in the overseas markets as well as the flotation of samurai and other types of bonds in the Japanese market.

International clients of the firm include AT&T, AIG, Bayer, CitiBank, ExxonMobil, GE Capital, Goldman Sachs, Manulife, Morgan Stanley and Renault.

Key contact partners

Osamu Sekine
Masayuki Yoshida

Leading lawyers

Kazuo Ohtake
Osamu Sekine

Nishimura & Partners

One of the leaders in the field for structured finance and securitization, Nishimura & Partners advises on various types of assets, from trade, lease, auto-loan and credit card receivables to residential mortgages, bonds and bank centres. The firm also advises arrangers and issuers in developing various forms of asset-backed schemes, multi-seller asset-backed commercial paper and medium-term note programmes, and Reit schemes.

Clients include foreign investment banks with a presence in Japan, manufacturing, distribution and retail industries, and clients in emerging areas of business.

Key contact partners

Toshihiro Maeda
Masaru Ono

Leading lawyers

Toshihiro Maeda
Masaru Ono

Tomotsune & Kimura

A firm that has long been involved in the international finance scene in Japan, Tomotsune & Kimura actively advises on securitizations of assets, loan collateral and real estate assets, as well as repackagings. Recent transactions include an auto loan receivables securitization on behalf of a Japanese finance company, and an unusual securitization of the common stock of a Japanese company, in which the common stock was deposited into a so-called PEPs trust in the US.

Clients of the firm include domestic and foreign governments, and local and international financial services, retail, aviation, pharmaceutical and construction businesses.

Anderson Mori

Anderson Mori is particularly strong in the banking, M&A and regulatory spheres, but also has an established structured finance practice. Areas of expertise include advising on securitization and asset liquidation, origination of assets, TK investments, asset-backed commercial paper and collateralized debt obligations using credit derivatives. The team is thought to be particularly strong in the area of non-performing loans – with the firm's regulatory know-how and banking clients, it is in a strong position for securitizing this asset class.

Masaakira Kitazawa and Tatsu Katayama are particularly well regarded for their derivatives expertise.

Key contact partner

Tatsu Katayama

Leading lawyers

Tatsu Katayama
Masaakira Kitazawa

Freshfields Law Office

In conjunction with Freshfields Foreign Law Office, the firm's capability extends to 34 lawyers. Its particularly active Asia-wide group has closed 11 significant transactions in the past year.

Mitsui Yasuda Wani & Maeda

The firm is active in the development of asset-backed commercial paper programmes and other structured finance products, and advises issuers, underwriters, sponsors and other financial institutions on these products. It also advises

on the development of new financial products and documents a variety of transactions for securities houses and commercial banks.

Partners Mitsuhiro Yasuda and Akihiro Wani are departing for Linklaters in April 2005 with a team of 20 lawyers. The firm is expanded to disband by the close of 2004 and departing securitization lawyers will doubtless take a good deal of experience to their new firms.

Mori Hamada & Matsumoto

Mori Hamada & Matsumoto was formed in 2002 through a merger between Mori Sogo and Hamada & Matsumoto. The firm now has 160 lawyers and is considered one of the leading local firms for securities and capital markets. Previous matters include advising Merrill Lynch as the arranger of a securitization of the Seibu department store in Tokyo – one of the largest department stores in Japan – in a transaction totalling \$844 million.

Capital markets (structured finance) – foreign firms**Recommended firms**

Allen & Overy

Clifford Chance Tanaka Akita & Nakagawa

Linklaters

Freshfields Foreign Law Office

Paul Hastings Janofsky & Walker

Sidley Austin Brown & Wood

Skadden Arps Slate Meagher & Flom

Lovells

Orrick Tokyo Law Offices

Shearman & Sterling

Simmons & Simmons/TMI Associates

Simpson Thacher & Bartlett

Sullivan & Cromwell

Paul Weiss Rifkind Wharton & Garrison

White & Case/Kandabashi Law Offices

Allen & Overy

A firm with a strong reputation for debt and structured finance deals, Allen & Overy has 17 lawyers in Tokyo and across the Asian region. The team has added two senior counsel to its team: Piyasena Perera and Adam Moncrieff, who both have considerable structured finance expertise.

Highlights of the year include advising Morgan Stanley on English and New York law in connection with an innovative issue of ¥35.15 billion (\$317.4 million) secured notes by special purpose vehicle JLOC XI. The notes, which were divided into five tranches, were ultimately backed by three portfolios of loans with the benefit of security interests in 25 commercial, office, retail, multi-family residential and hotel properties throughout Japan.

The team also advised Daiwa Securities as arranger and swap counterparty on the first managed collateralized debt obligation on Japanese names arranged by a Japanese house (Daiwa Securities). Investors are exposed to risk on a portfolio of 100 reference entities, and ¥5.4 billion notes were issued.

Key contact partner

Paul Cluley

Leading lawyer

Paul Cluley

Clifford Chance Tanaka Akita & Nakagawa

Clifford Chance's Tokyo operation has enjoyed a strong reputation for securitization, although leading players Matthew Cahill and Robert Burley recently relocated to the firm's London office. Clients of the structured finance group include Morgan Stanley and Commerzbank. Most mandates come from international investment banks active in the Japanese market.

Linklaters

With two partners and nine associates devoted to securitization in Tokyo already, Linklaters has received a further boost to its Tokyo team with the hire of Mitsuhiro Yasuda and Akihiro Wani as partners, both of whom have considerable structured finance experience. They will be joining the practice from Mitsui Yasuda Wani and Maeda, along with a team of 20 lawyers. The appointments will take effect as soon as Japan implements legislation to allow multinational partnerships on April 1 2005.

The structured finance team continues to benefit from the addition of US partner David Deck from Shearman & Sterling, who brought with him heavyweight contacts and expertise in the area of securitizations and leveraged lease financings. This hire followed hard on the heels of the arrival of Mark Hunsaker from Sullivan & Cromwell, who is also considered a talent in the market.

Highlights of the past year include advising BNP Paribas (as arranger and manager) and The Bank of New York (as trustee) in a ¥15 billion (\$135.4 billion) securitization of card cashing receivables originated by OMC Card through a master trust structure and a Japanese special purpose vehicle, and acting for Nikko (as arranger), Citigroup (as manager) and Citicorp Trustee Company (as trustee) on a ¥40 billion transaction involving the securitization of consumer finance receivables originated by Aiful Corporation. The securitization was effected through the Aiful Master Trust and a Japanese special purpose vehicle.

Key contact partners

Mark Brown

David Deck

Leading lawyers

Mark Brown

David Deck

Freshfields Foreign Law Office

Freshfields boasts an increasingly well-respected team that advises a range of clients, including financial institutions, asset originators, asset purchasers, insurers and ratings agencies. The group works as part of an Asia-wide securitization team that has closed 11 big transactions over the past year. Recently, the team acted for Mizuho International as lead manager and the Bank of New York as trustee in the securitization of a portfolio of credit card loan receivables originated by Orient Corporation.

Clients include Merrill Lynch, Goldman Sachs, GE, Lehman Brothers and Cazenove & Co.

Key contact partners

Mark Keeler

James Lawden

Leading lawyer

Mark Keeler

Paul Hastings Janofsky & Walker

One of the first Western firms to open an office in Tokyo, Paul Hastings Janofsky & Walker has a well-established reputation and is seen by competitors to be "extremely active in the securitization market". The firm's expertise in securitization is derived from the stellar real estate group, which is headed up in Tokyo by John Steed. Steed has over 20 years' experience representing operating subsidiaries of Japanese manufacturing companies in the US, as well as acting for US companies in their Japanese activities.

The practice in Tokyo represents international investors, lenders and investment bankers in connection with structuring, acquisition, financing and securitizing their Japanese corporate and real property assets, including portfolios of real estate and secured and unsecured loans.

The firm also gets a great deal of work as a result of its association with the Taiyo Law Office.

Key contact partner

John Steed

Sidley Austin Brown & Wood

A firm that enjoys a good reputation for securitization in Tokyo and worldwide, Sidley Austin Brown & Wood's joint venture with local firm Nishikawa & Partners in 2002 added a boost of local finance capability. The combined team has nine *bengoshi* and two foreign partners, who between them provide advice on the full range of structured finance and securitization transactions.

Partner Christopher Lewis specializes in securitization and structured finance, and regularly advises leading Tokyo investment banks in relation to various asset classes. The practice is increasingly focusing on highly engineered financial products, particularly the repackaging of securities, loans and other assets.

Key contact partner

Christopher Lewis

Leading lawyer

Christopher Lewis

Skadden Arps Slate Meagher & Flom

One of the top US firms in Tokyo for securitization work, Skadden Arps represents Japanese banks, foreign investment banks and other originators and issuers in the securitization of yen- and dollar-denominated assets, including commercial loans, automobile loans and longer-term assets, and real estate in the US and Japan.

Previous highlights include advising Shinsei Bank in connection with a ¥115 billion (\$1.1 billion) collateralized loan obligation transaction, and on four subsequent offerings of ¥60 billion, ¥40 billion, €150 million (\$180.8 million) and \$100 million of notes backed by certificates issued by Shinsei Bank Master Trust.

Key contact partners

Mark Bronson

Kenju Watanabe

Mergers and acquisitions – local firms

Recommended firms

Anderson Mori

Mori Hamada & Matsumoto

Nagashima Ohno & Tsunematsu

Nishimura & Partners

Asahi Koma Law Offices

Mitsui Yasuda Wani & Maeda*

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

Freshfields Law Office

Matsuo & Kosugi

TMI Associates/Simmons & Simmons

Hashidate Law Office

Hibiya Park Law Offices

Kandabashi Law Offices/White & Case

Miyake & Yamazaki

Tomotsune & Kimura

Atsumi & Partners

Konaka Toyama & Hosoya

Oh-Ebashi Law Offices

* Mitsui Yasuda Wani & Maeda is set to disband by the end of 2004

Anderson Mori

Anderson Mori is an independent full-service firm with an excellent reputation for corporate work. The firm regularly advises on domestic and cross-border M&A, corporate reorganizations and equity transactions for a broad range of clients, including local and international investment banks, insurance companies, law firms, government agencies, airlines, telecommunications companies and pharmaceutical corporations.

In probably the firm's best deal of the past year, Anderson Mori advised Vodafone in connection with the ¥232 billion (\$2.1 billion) sale of Japan Telecom's fixed-line business to US investment fund Ripplewood Holdings. The sale was a reaction to the hammering Japan's fixed-line business has received as consumers have been switching to mobile phones and cut-price internet phones. As a result of the sale Vodafone has been able to invest more money into

its J-Phone wireless business in an attempt to win the battle for customers with industry leader NTT DoCoMo. The deal was the largest leveraged buyout in Japan.

Key contact partner

Akira Kawamura

Leading lawyer

Osamu Hirakawa

Mori Hamada & Matsumoto

A merger in 2002 between Mori Sogo and Hamada & Matsumoto created a new contender in the Japanese market for corporate and banking transactions. The firm has recently been active in advising both sellers and buyers in connection with the takeover of a number of insolvent Japanese banks and insurance companies by both Japanese and non-Japanese investors. The firm has also handled a number of tender offers for public companies, including the first hostile one between Japanese companies.

Recent experience includes representing Nikko Securities in connection with its alliance and investment banking joint venture with Citigroup, representing NTT DoCoMo on its wide-ranging alliance with AOL, and acting for Mitsubishi Motors on its capital and other tie-ups with DaimlerChrysler.

Nagashima Ohno & Tsunematsu

One of the largest and most highly regarded firms in Tokyo for corporate and M&A work, the M&A team at Nagashima Ohno & Tsunematsu advises foreign and domestic companies on corporate mergers and acquisitions and other business alliance transactions.

Past transactions include advising global pharmaceutical company Merck & Co on its ¥180 billion (\$1.6 billion) acquisition of shares in Banyu Pharmaceutical through a tender offer, and advising Matsushita Electric Industrial on a ¥300 billion joint venture with Toshiba Corporation through corporate splits to integrate its cathode ray tube businesses.

Partner Kenichi Fujinawa is particularly well regarded for his extensive knowledge and expertise.

Leading lawyer

Kenichi Fujinawa

Nishimura & Partners

Nishimura & Partners has an excellent reputation in the market for corporate work, and has boosted its partner numbers considerably this year with four new internal promotions of lawyers specializing in corporate matters. The firm is also set to benefit from the arrival of Hiroshi Maeda and a team of 10 lawyers from Mitsui Yasuda Wani & Maeda, which will soon be disbanded. While Maeda and his team are best known for their project finance skills, the group has some wide-ranging corporate expertise and should add some weight in this practice group.

The team regularly advises on mergers, acquisitions, joint ventures and strategic alliances, and corporate governance. Koichi Kusano is particularly well regarded, and is surrounded by an accomplished team. Among recent highlights, the firm acted for BOC on the integration of its industrial gas business with that of Air Liquide. Other clients include Roche and Taisei Fire & Marine Insurance.

Leading lawyer

Koichi Kusano

Asahi Koma Law Offices

Asahi Koma Law Offices is one of the largest law firms in Tokyo, with around 110 lawyers. The corporate group advises on a broad range of matters, including mergers and acquisitions, and is in an excellent position to guide international companies through the myriad of Japanese corporate laws.

The firm represents a mixture of foreign and domestic corporates and can draw on international resources through its membership of the global Lex Mundi network, the Interlex Group and the Pacific Rim Advisory Council.

Mitsui Yasuda Wani & Maeda

Mitsui Yasuda Wani & Maeda has five partners and 17 associates who focus on corporate and M&A work, and the firm has a good reputation in the market for its advice in this area. The firm worked with Clifford Chance recently, advising the lenders on the largest leveraged buyout in Japan to date – the ¥232 billion (\$2.1 billion) leveraged acquisition by US investment fund Ripplewood Holdings of Japan Telecom's fixed line business in Japan from Vodafone.

Clients include Mizuho Corporate Bank, Mitsui & Co, MKS Partners, Orix, Matsumotokiyoshi, Konami Corporation, T&D Holding, Tomen Corporation and Ryohin Keikaku. The firm is set to disband by the end of 2004.

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

The corporate team of the local arm of Baker McKenzie advises foreign clients acquiring and investing in Japanese businesses, particularly in the telecoms, pharmaceutical, retail and insurance industries.

The group consists of nine partners and 15 associates. Recent matters include representing a leading UK life insurance company in connection with its acquisition of a Japanese insurance company, advising a well-known electronics company on the restructuring of its global treasury and operations, and advising a leading domestic buyout fund on around 10 buyout transactions.

Key contact partners

Chris Hodgens

Akimoto Kawamura

Hiroshi Kondo

Mergers and acquisitions – foreign firms

Recommended firms

Freshfields Foreign Law Office

Linklaters

Morrison & Foerster/Ito & Mitomi

White & Case/Kandabashi Law Offices

Baker & McKenzie/Tokyo Aoyama Aoki Law Office

Clifford Chance Tanaka Akita & Nakagawa

Davis Polk & Wardwell

Simpson Thacher & Bartlett

Skadden Arps Slate Meagher & Flom

Sullivan & Cromwell

Allen & Overy

Ashurst

CGSH Law Offices

Herbert Smith

Dorsey & Whitney

Jones Day Tokyo

Latham & Watkins

Lovells

Orrick Tokyo Law Offices

Paul Hastings Janofsky & Walker

Paul Weiss Rifkind Wharton & Garrison

Shearman & Sterling

Simmons & Simmons/TMI Associates

Squire Sanders & Dempsey

Coudert Brothers

Morgan Lewis & Bockius

O'Melveny & Myers

Pillsbury Winthrop

Freshfields Foreign Law Office

Freshfields Foreign Law Office has an excellent reputation for its corporate and mergers and acquisitions expertise. In the wake of Charles Stevens' departure, managing partner Naoki Kinami is considered to be building on the excellent work of his predecessor. Kinami advises large Japanese and foreign commercial banks, US and UK investment banks, Japanese insurance companies and other Japanese and foreign financial or derivative institutions.

Key contact partner

Naoki Kinami

Leading lawyer

Naoki Kinami

Linklaters

Linklaters has three partners and three associates dedicated to mergers and acquisitions work in Tokyo. Leading lawyer Simon Davies has departed for the Hong Kong office and the team has a new leader, Casper Lawson, a senior corporate partner from London.

Recent deals include acting for Vodafone in connection with its \$2.1 billion sale of Japan Telecom's entire fixed-line business, the largest leveraged buyout in Japan to date. The firm also advised on a group reorganization of the Japan Telecom Group, using the new Japanese legal hive-down mechanism of Kaisha Bunkatsu. Further matters include advising on a number of other corporate transactions for listed Japanese companies, and acting on a joint venture by a European manufacturer in Japan and Korea.

The group's clients include Vodafone, Japan Telecom, J-Phone, Allied Domecq, UBS Warburg, Nikko Citigroup, Goldman Sachs, Matsushita Electric and Itochu.

Key contact partners

Casper Lawson

Hideo Norikoshi

Leading lawyer

Hideo Norikoshi

Morrison & Foerster/Ito & Mitomi

Morrison & Foerster retains its top ranking after another busy year at the deal table. The firm represented Fujitsu when it restructured and expanded its flash memory joint venture with AMD, resulting in the creation of a fully integrated stand-alone flash company with 7000 employees and annual sales on formation of \$3 billion. The firm also advised Mizuho Capital Partners in connection with its acquisition of a controlling stake in Vantec, a Japanese transportation company, from British investment companies 3i Group and PPM Ventures. A third highlight was representing Toshiba on the international aspects of its global joint venture with Matsushita

to combine the parties' cathode ray tubes businesses in a new company with over 15,000 employees.

The firm has continued its recruitment drive by hiring Yukako Wagatsuma, a corporate partner from Mitsui Yasuda Wani & Maeda, who brings 15 years' experience to MoFo's Japanese joint venture firm Ito & Mitomi. She is joining with banking and finance partner Katsuhiko Fujihira.

Key contact partner

Ken Siegel

White & Case/Kandabashi Law Offices

A firm with a highly regarded local and foreign practice, White & Case/Kandabashi Law Offices' M&A team consists of eight partners and 25 associates. The team grew again this year with the hiring of an associate from GE Edison Life Insurance.

Recent transactions include advising the Hong Kong-appointed provisional liquidators of Jinro (HK) International in respect of the Japanese law issues involved in the restructuring of Jinro Group, including protection of rights and interests in assets in Japan. The group also advised Abeam Consulting, formerly Deloitte Tohmatsu Consulting KK, the primary Japanese consulting arm of Deloitte Consulting Global / Deloitte Touche Tohmatsu International, on the proposed reorganization of Deloitte Consulting Global as an independent consulting firm.

The firm acted for ArvinMeritor as its Japanese business was restructured by the dissolution of its joint-venture partner, Nippon Automotive Body System, and represented BLG Funhouse in connection with its merger with Zomba Records Japan as part of worldwide merger proceedings.

Partner Robert Grondine, formerly president of the American Chamber of Commerce in Japan, is "terribly well-established in the market," and has an excellent reputation among peers and clients, particularly for structured finance and Japanese leveraged cross-border leasing.

Clients of the group include General Motors, Jones Lang LaSalle, JR Central, Media Square Special Purpose Company, ABeam Consulting, Mitsubishi Materials, PTS, Pacific LNG Shipping (a consortium including Tokyo Electric, Mitsubishi and NYK), Sony and Sumitomo Chemical.

Leading lawyer

Robert Grondine

Key contact partner

Robert Grondine

Baker & McKenzie/Tokyo Aoyama Aoki Law Office

Baker & McKenzie's mergers and acquisitions team has a strong reputation in the market, with a particular focus on deals in the telecoms and pharmaceuticals sectors. Regular

work includes management buyouts, private equity investments, corporate restructurings and insolvency, and clients include British Telecom, Eli Lilly, Pacific Century Cyberworks and Prudential.

Recent highlights have included acting as English and New York legal advisers to Air China, CSWA and ZJA on the \$1 billion merger that occurred as a result of the State Council's mandate to restructure the airline industry in China. The Tokyo office acted in conjunction with the Hong Kong, Shanghai and Chicago offices on the deal.

Key contact partner

Hiroshi Kondo

Clifford Chance Tanaka Akita & Nakagawa

Bryan Dunn heads up Clifford Chance Tanaka Akita & Nakagawa's M&A department, which recently acted as lead counsel to the lenders on the largest leveraged buyout to date – the ¥232 billion (\$2.1 billion) leveraged acquisition by US investment fund Ripplewood Holdings of Japan Telecom's fixed line business in Japan from Vodafone.

The Tokyo office also advised on the first secondary management buyout (MBO) in Japan, advising 3i and PPM Ventures on the sale of their combined 65% equity stake in Japanese logistics company, Vantec Corporation to Mizuho Capital Partners' MBO Fund, FBF2000.

The firm's key clients include Deutsche Bank, HSBC, JAL, Merrill Lynch, Nikon, NTT DoCoMo and Olympus.

Key contact partner

Bryan Dunn

Davis Polk & Wardwell

Davis Polk & Wardwell has a strong corporate team that frequently has a hand in top-drawer deals. Recent highlights include acting on the \$15 billion consolidation of The Tokyo Marine and Fire Insurance Company and The Nichido Fire and Marine Insurance Company under a new holding company, and advising on a \$2.6 billion global offering of common stock by Mitsubishi Tokyo Financial Group, consisting of an SEC-registered US public offering, an international offering placed under Regulation S and a Japanese public offering.

Simpson Thacher & Bartlett

A firm that is perhaps better known for its quality capital markets work, Simpson Thacher & Bartlett also boasts a strong corporate practice. Partner David Sneider in particular is a well-established lawyer in the Japanese market and commands an enviable level of respect from his peers.

Highlights of the year include representing Ripplewood Holdings as the buyer of Japan Telecom's fixed-line business from Vodafone. Valued at \$2.2 billion, this was the largest leveraged buyout in Japan to date. The firm acted in conjunction with local firm Nagashima Ohno & Tsunematsu.

Other clients include Merrill Lynch, Nomura Securities, East Japan Railway Company and Aramark.

Key contact partner

David Sneider

Leading lawyer

David Sneider

Skadden Arps Slate Meagher & Flom

The Skadden Arps office in Tokyo has three partners and 17 associates. The corporate team has a well-established reputation for advising Japanese, US and other international clients on mergers and acquisitions, joint-ventures and cross-border matters. The team is led by the highly recommended Nobuhisa Ishizuka, who has extensive experience advising manufacturing and service companies as well as financial institutions. His experience includes advising NTT DoCoMo, a 16% stockholder of AT&T Wireless Services, in connection with the public auction of AT&T Wireless (which was won by Cingular Wireless).

Recent deals handled by Skadden's M&A team include advising Square Co as US and international counsel in connection with its \$737 million merger with Enix Corporation, and acting for Nomura Principal Finance on its \$345 million acquisition of Toshiba Tungaloy, implemented as part of a management buyout so that Tungaloy could become independent of Toshiba Corporation.

Key contact partners

Nobuhisa Ishizuka
Kenju Watanabe

Leading lawyer

Nobuhisa Ishizuka

Sullivan & Cromwell

Sullivan & Cromwell's mergers and acquisitions team enjoys a good reputation among peers and clients, particularly on the finance side of M&A. The practice did suffer a slight blow recently, however, as ex-managing partner of the Tokyo office Robert DeLaMater returned to New York.

The Asia-wide experience of the team includes representing Thomson in a pending joint venture with TCL International Holdings to combine their television and DVD businesses, advising China Telecom in connection with its \$5.6 billion acquisition of six provincial networks and again on its \$3.4 billion acquisition of 10 additional provincial networks, and acting for China Unicom on the acquisition of nine provincial networks of Guoxin Paging Corp to China Unicom Group, and in a joint venture with SK Telecom.

Key contact partners

Izumi Akai
John Young

Allen & Overy

Allen & Overy has one partner and three associates dedicated to corporate work in its Tokyo office. In April 2003, corporate partner Cees Vellekoop joined the office from the Amsterdam office, and has been charged with building the corporate practice in Tokyo. His experience includes advising on a wide range of commercial and corporate finance transactions, including private acquisitions and disposals, restructurings and work-outs, joint ventures, management buyouts and buy-ins and greenfield investments. A Japanese speaker, Vellekoop had previously worked in Japan for five years, including a period of three years as the resident partner of Benelux law firm Loeff Claey's Verbeke's Tokyo office.

Allen & Overy's Tokyo office has continued its growth, and has become one of the largest UK law firms in Japan. It provides comprehensive legal service to banks, securities houses and companies requiring advice on English, New York, US federal, European, Dutch, New Zealand, and Australian law.

Clients include Aviva, Equant, AIG Global Investment Group, Cable & Wireless and British Gas.

Key contact partner

Cees Vellekoop

Herbert Smith

Herbert Smith's M&A team is headed by Steve Lewis, and is one seen to be growing in strength, continuing to benefit from the firm's global expertise in dispute resolution.

Recent highlights include advising the JNOC Group (in conjunction with the firm's Moscow office) on the acquisition of an oil and gas interest in the Azeri-Chirag-Gunashli project in Azerbaijan's Caspian Sea area from Lukoil, for a purchase price reported to be about \$1.375 billion. The group regularly advises international clients, and handles large acquisitions by Japanese clients with regional and international investments. Clients include JBIC, Sumitomo, Toshiba, NTT DoCoMo, Marubeni, Mitsubishi, Goldman Sachs, De Beers, Electricité de France, Pilkington and AT&T.

Jones Day Tokyo

The corporate team at Jones Day Tokyo received a boost with the appointment of Scott Jones to the partnership in September 2003. He works closely with Nobutoshi Yamanouchi, the head of Jones Day Horitsu Jimusho (formerly Jones Day Showa) to build the firm's corporate practice. Jones previously spent eight years as the head of the Tokyo office of another international law firm. His experience includes advising Japanese clients on investments outside Japan as well as foreign investors with interests in Japan.

Clients of Jones Day Tokyo include Japanese companies with complex legal needs inside and outside Japan and multinational companies expanding their business into Asian countries, including Japan.

Key contact partners

Scott Jones
John Roebuck

Latham & Watkins

Over the past year Latham & Watkins' Tokyo office has hired a new partner from Asahi Koma Law Offices, but lost another local lawyer to Ashurst; the firm now has three partners and five associates specializing in corporate law advice.

Recent highlights include representing Jupiter Programming on its purchase of a minority interest in AXN Japan, a spin-off company of Sony Pictures Entertainment (Japan), advising BHA Corporation in connection with its investment in Digital Stream USA, a corporation developing leading-edge data compression technology, and represented SmartPractice Japan on its \$5.5 million acquisition of the dental supply business of Nikkiso, a Japanese-listed company, and its subsidiary Alphamedical.

Key contact partners

David Shapiro
Michael Yoshii

Project finance – local firms**Recommended firms**

Mitsui Yasuda Wani & Maeda*

Nagashima Ohno & Tsunematsu

Mori Hamada & Matsumoto

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

Kandabashi Law Offices/White & Case

**Mitsui Yasuda Wani & Maeda is set to disband by the end of 2004*

Mitsui Yasuda Wani & Maeda

Mitsui Yasuda Wani & Maeda has enjoyed the highest reputation for project finance work. Four partners, led by the respected Hiroshi Maeda, act on the most complex and high-profile project finance transactions in Japan.

Recent transactions include advising Sumitomo Mitsui Banking Corporation and other banks on the ¥11.1 billion (\$100.1 million) build-operate-transfer construction of a main government building, acting for Tokyo Rinkai Recycle Power (a group company of Tokyo Electric Power Company) on the ¥22.8 billion Tokyo waterfront recycle power project, construction of waste disposal facilities and power plants, and advising the lenders on Japanese legal issues, especially on NEXI insurance, on the \$412 million

Phu My 3 Power Project, a 716.8MW power project in Vietnam.

The firm will disband by the close of 2004, and rival firm Nishimura & Partners is set to benefit when Hiroshi Maeda and a team of 10 lawyers joins the firm in October this year. A redistribution of the firm's other leading lawyers will certainly cause a reshuffle the market.

Nagashima Ohno & Tsunematsu

Particularly well regarded for aircraft finance and other project matters, Nagashima Ohno & Tsunematsu's project finance practice has five partners and 10 associates specializing in this area. Among these, Takao Higuchi is highly recommended by peers as a quality adviser.

In the past the firm has advised Nippon Export and Investment Insurance (NEXI) on the construction and operation of a petrochemical complex that is part of the CSPC Nanhai Petrochemicals Project in Donglian, China. The deal was valued at \$95 million.

Other clients of the firm include Electric Power Development, Nippon Export and Investment Insurance and TOA Oil.

Mori Hamada & Matsumoto

Mori Hamada & Matsumoto boasts a strong projects team that this year (in conjunction with Clifford Chance) advised Citibank, BA Asia, Bank of Tokyo-Mitsubishi, Mizuho Corporate Bank and Sumitomo Mitsui Banking Corporation on the ¥290 billion (\$2.6 billion) leveraged financing of cable television operations of Jupiter Telecommunications.

Tokyo Aoyama Aoki Law Office/Baker & McKenzie

The local arm of Baker & McKenzie works closely with the firm's foreign office, and the firm's projects practice has five partners and nine associates that focus particularly on energy deals. The firm advises Japanese utilities, trading companies, banks and construction companies on their power, resources and construction projects abroad. Clients include Itochu, Electric Power Development Company and Enron.

Previous transactions include acting for the lenders in the financing of a petrochemical plant in Thailand and an aluminium project in Australia, acting for the Japanese investor and limited-recourse lender in connection with refinancing an open-cut coal mining project in Australia, and acting for the Japanese sponsor on various power projects in Thailand.

Naoaki Eguchi is a particularly well regarded individual, and active in the field. A career highlight so far saw Eguchi act on behalf of the arranger banks in respect of a \$1 billion syndicated loan and securities package for the financing of a theme park project in Osaka.

Leading lawyer

Naoaki Eguchi

Kandabashi Law Offices/White & Case

The local arm of White & Case is involved with the foreign lawyers advising various parties on projects and project finance. At the time of writing the firm is advising The Tokyo Electric Power Co on a possible project involving several LNG carriers, which each cost around \$160 million.

Project finance – foreign firms

Recommended firms

Allen & Overy

Ashurst

Clifford Chance Tanaka Akita & Nakagawa

White & Case/Kandabashi Law Offices

Baker & McKenzie/Tokyo Aoyama Aoki Law Office

Freshfields Foreign Law Office

Milbank Tweed Hadley & McCloy

Linklaters

Lovells

Skadden Arps Slate Meagher & Flom

Herbert Smith

Latham & Watkins

Morrison & Foerster/Ito & Mitomi

Paul Weiss Rifkind Wharton & Garrison

Allen & Overy

Allen & Overy has three partners and seven associates specializing in project finance. The department, headed by Aled Davies, has grown over the past year, with the arrival of three associates from the firm's London office and another associate joining the firm from Addleshaw Goddard. However, one partner – Thomas Brown – and associate Wayne Bannon relocated to the firm's Hong Kong office in October 2003.

Among the project team's highlights of the past year were advice to the Asia Development Bank on the \$500 million financing of the Petronet LNG Import Terminal in India, advice to the Japan Bank for International Cooperation (JBIC), Nippon Export and Investment Insurance in relation to a \$1.1 billion 2x717MW coal-fired power station, to be constructed and operated in Thailand, and advice to JBIC again, this time in relation to financing the Petrobras PDET

onshore (\$632 million) and offshore (\$670 million) oil pipeline projects in Brazil.

Other clients of the practice include the Bank of Tokyo-Mitsubishi and Mitsui & Co.

Ashurst

Ashurst has three resident partners specializing in project finance, and is considered a serious heavyweight in the market. Managing partner John McClenahan is highly regarded for his expertise in advising lenders, sponsors, project companies and contractors on large infrastructure projects.

A joint venture between Ashurst and Ashurst Tokyo Law Office has strengthened the Japanese law capability of the firm. Past deals include advising on the \$412 million Phu My 3 power plant project in Vietnam, advising on a gas pipeline project in Iran for a Japanese trading company, and advising on an independent power project in the Philippines for the Japan Bank for International Cooperation.

Leading lawyer

John McClenahan

Clifford Chance Tanaka Akita & Nakagawa

A firm whose skills, contacts and experience ensure it makes regular appearances on the top deals, Clifford Chance Tanaka Akita & Nakagawa has 13 partners and 47 legal advisers who can offer good quality local and international advice. Last year, the group advised Citibank, BA Asia, the Bank of Tokyo-Mitsubishi, Mizuho Corporate Bank and Sumitomo Mitsui Banking Corporation on the ¥290 billion (\$2.6 billion) leveraged financing of the cable television operations of Jupiter Telecommunications, and also advised Mitsubishi Corporation on the \$60 million project financing of a textile plant in Turkmenistan.

Partner Peter Avery is well respected by his peers for his work in project finance, finance and banking law. He has acted on a number of project finance deals in Asia, Africa, South America and the Middle East.

Key contact partner

Peter Avery

Leading lawyer

Peter Avery

White & Case/Kandabashi Law Offices

A leader in the field with five partners and 14 associates. The group acts as part of the firm's global energy, infrastructure and project finance group, has a particular focus on the energy, transport and industrial sectors, and participates in a large number of the LNG projects in Asia.

Clients include the Tokyo Electric Power Co, which the firm is advising in relation to a proposed project involving

several LNG carriers, each valued at around \$160 million. Other matters include advising export credit agencies, the multilateral lenders and the commercial bank lenders in connection with the \$11.2 billion project financing of the Sakhalin II (Phase 2) LNG Project in Russia, and advising BP Berau and other producers on the \$3 billion Tangguh LNG Project in Indonesia.

Key contact partner

Hendrik Gordenker

Baker & McKenzie/Tokyo Aoyama Aoki Law Office

The projects group at Baker & McKenzie has a good reputation in the market, and extensive experience in advising on all sides of project finance transactions as well as advising foreign entrants in the deregulating areas in Japan. Clients across the Asia region include PetroChina, Meiya Power, TXU, Macquarie Infrastructure Group, Keppel Fels, Port of Singapore Authority and Napocor.

Previous deals include advising a foreign investor on a \$100 million Japanese domestic PFI to lead a consortium for the development, construction and operation of a container terminal. The team also advised a Japanese trading company in relation to an \$80 million acquisition of an interest in the Ashton coal project in Australia, and acted for Kansai Electric Power Company on its acquisition of a stake in a Thai power plant.

Freshfields Foreign Law Office

Freshfields Foreign Law Office operates in Tokyo with Freshfields Law Office, and has a total of 34 lawyers. The project finance team has two partners focused on the area, and has all the advantages of being part of a global project finance team.

Managing partner and head of the project finance team Naoki Kinami is a *bengoshi* partner and a New York-qualified lawyer. Past experience includes advising the Japan Bank for International Cooperation and other credit agencies on the \$420 million Phu-My 2.2 power project.

Key contact partners

Naoki Kinami
James Lawden

Milbank Tweed Hadley & McCloy

Milbank Tweed Hadley & McCloy enjoys a high profile for projects worldwide. Its Asian team is managed out of Singapore. Deals it has worked on in the region include advising BP, Sembcorp, Kyushu and Nissho Iwai as sponsors in the development and financing of the \$450 million Phu My 3 716MW combined cycle gas-fired power station, one of the first independent power projects to be established in Vietnam, and advising Citicorp International (as facility

agent) and the lenders in connection with substantial revisions to an existing \$450 million project finance credit facility to permit the sale of 87% of the shares of PJP by Duke Energy International PJP Holdings (Mauritius) and Westcoast (PJP) Holdings to Freeport-McMoRan Copper & Gold.

The firm also advised the Japan Bank for International Cooperation in connection with the \$1.3 billion restructuring of the Paiton Power Project. Other clients include Deutsche Bank, Société Générale, Mizuho Corporate Bank and British Petroleum Hong Kong.

Key contact partner

David Impastato

Linklaters

Linklaters' strong reputation for project financing is attributed to its highly regarded Asian energy group, which operates across Bangkok, Beijing, Hong Kong, Shanghai, Singapore and Tokyo. Previous experience includes advising Sakhalin Energy Investment Company on the project financing of a \$10 billion oil and gas facility in the Japanese Sakhalin island. It also advised on the development of a new luxury hotel in Tokyo for the Mandarin Oriental Hotel Group.

Hideo Norikoshi combines his considerable project finance expertise with a practice in corporate and structured finance.

Key contact partner

Hideo Norikoshi

Leading lawyer

Hideo Norikoshi

Lovells

The projects team at Lovells is headed by project finance specialist and managing partner Michael Hancock, who advises banks, sponsors, EPC contractors and governments. Previous experience includes advising the Sri Lankan government, the Ceylon Electricity Board, the Ceylon Petroleum Corporation and the Sri Lanka Board of Foreign Investment on all aspects of the Kelanitissa 163MW IPP build-own-operate project, and leading an international team of Lovells' lawyers on behalf of a Japanese trading company in respect of its extensive due diligence on the Dabhol power project in the Indian state of Maharashtra, as well as in respect of the associated Met Gas project.

Clients include Kawasaki Heavy Industries, Nissho Iwai, the Sri Lankan government, Ceylon Petroleum and the Japan Bank of International Cooperation.

Key contact partner

Michael Hancock