

HERBERT SMITH FREEHILLS ADVISES COMMONWEALTH BANK OF AUSTRALIA ON ITS A\$750 MILLION ISSUE OF PERLS X

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Deals and cases

Herbert Smith Freehills is pleased to be advising Commonwealth Bank of Australia (**CBA**) on its offer of CommBank PERLS X Capital Notes to raise approximately A\$750 million (with the ability to raise more or less) (**Offer**) announced on 7 March 2018 – CBA’s tenth retail hybrid offering.

CBA is one of Australia’s leading providers of integrated financial services including retail, business and institutional banking, funds management, superannuation, insurance and broking services.

CommBank PERLS X Capital Notes are subordinated, unsecured notes. The proceeds from the issue will raise Tier 1 Capital to satisfy CBA’s regulatory capital requirements and maintain the diversity of CBA’s sources and types of funding. The net proceeds of the Offer will be used to fund CBA’s business.

Herbert Smith Freehills’ capital markets team was led by partners [Philippa Stone](#) and [Patrick Lowden](#), supported by senior associate Charlotte Cameron and solicitors Michael Burrell and Elizabeth Cameron. Greenwoods & Herbert Smith Freehills are advising CBA in relation to Australian taxation.

Herbert Smith Freehills is working closely with CBA, including Group General Counsel Anna Lenahan, and Mark Alexander and Kirsty Cox of the Group’s Advisory and M&A Legal team and with the CBA Capital and Regulatory Strategy team.

Ms Stone said: “We are thrilled to be acting for our valued client, Commonwealth Bank of Australia, on its issue of CommBank PERLS X Capital Notes. We are proud of our work with the CBA team on PERLS transactions over the past 15 years, and it was an absolute pleasure to work with the CBA team again.”

The arranger for the Offer is Commonwealth Bank of Australia (Capital Markets Division) (**CBA Markets**). The joint lead managers are CBA Markets, ANZ Securities Limited, Morgan Stanley Australia Securities Limited, Morgans Financial Limited and Westpac Institutional Bank, a division of Westpac Banking Corporation.

The arranger and joint lead managers were advised by Allens.

This transaction is another example of Herbert Smith Freehills’ market-leading capital markets work, and follows recent roles on a number of significant bank hybrids.

UPDATE (18 April 2018): These CommBank PERLS X Capital Notes ultimately raised \$1.365 billion.

MEDIA CONTACT

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