

HERBERT SMITH FREEHILLS ADVISES JOINT LEAD MANAGERS ON MACQUARIE GROUP'S A\$725 MILLION CAPITAL NOTES 5 ISSUE

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Deals and cases

Herbert Smith Freehills is proud to have advised the Joint Lead Managers of Macquarie Group Limited's (**MGL**) offer of Macquarie Group Capital Notes 5 (**MCN5**).

MGL also undertook a reinvestment offer under which eligible holders of Macquarie Capital Notes 2 (MCN2) could reinvest some or all of their MCN2 in MCN5.

MCN5, which will qualify as Eligible Capital for Australian Prudential Regulation Authority purposes, are fully paid, unsecured, subordinated, non-cumulative, convertible, perpetual notes issued by MGL. They were offered at an issue price of A\$100 per MCN5.

The offer was originally intended to raise A\$500 million (with the ability to raise more or less) but was increased to A\$550 million following strong support from brokers and institutional investors in the broker firm offer. This was then further increased to A\$725 million post the securityholder and reinvestment offers. The proceeds received by MGL under the offer will be used for general corporate funding and capital management purposes.

Herbert Smith Freehills acted for the nine Joint Lead Managers, being Macquarie Capital (Australia) Limited (who was also the sole arranger), ANZ Securities Limited, Citigroup Global Markets Australia Pty Limited, Commonwealth Bank of Australia, E&P Corporate Advisory Pty Limited, Ord Minnett Limited, Morgans Financial Limited, National Australia Bank Limited, and Westpac Institutional Bank.

The Herbert Smith Freehills team was led by partner [Philippa Stone](#) and supported by Special Counsel [Rob Finlay](#), Senior Associate Michael Burrell and solicitor [Jennie Bian](#).

[Philippa Stone](#) said, “We are delighted to have again acted for the joint lead manager syndicate on another successful Macquarie Notes transaction. This transaction follows our recent role acting for the joint lead managers on the offer of Westpac Capital Notes 7.”

MGL was advised by King & Wood Mallesons.

This deal is another example of Herbert Smith Freehills’ market-leading work in bank hybrids. Other recent examples include, advising:

- The joint lead managers on Macquarie Bank Limited’s A\$641 million offer of Macquarie Bank Capital Notes 2;
- The joint lead managers on Westpac Banking Group’s A\$1.72 billion offer of Westpac Capital Notes 7;
- The joint lead managers on MGL’s A\$750 million offer of Macquarie Group Capital Notes 4; and
- The joint lead managers on Westpac Banking Group’s A\$1.42 billion offer of Westpac Capital Notes 6.

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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