

HERBERT SMITH FREEHILLS TOPS ASIA-PACIFIC M&A LEAGUE TABLES

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News

Herbert Smith Freehills has cemented its position as the leading legal advisor for M&A transactions in the Asia-Pacific region by topping Thomson Reuters M&A legal advisor leagues tables by value for H1 2017.

Among this quarter's key results in Thomson Reuters and Bloomberg's tables, the firm ranked:

THOMSON REUTERS

- 1st for Asia Pacific (ex-Japan) announced deals by value
- 1st for Asia Pacific (ex-Japan) completed deals by deal count
- 2nd for Asia Pacific (ex-Japan) announced deals by deal count
- 1st for Australia and New Zealand completed deals by deal count
- 1st for Australia and New Zealand announced deals by value and deal count

BLOOMBERG

- 1st for Australia and New Zealand announced deals by both value and deal count
- 3rd for Hong Kong announced deals by value

The firm's outstanding results follow on from a strong Q1 performance, when the firm ranked first by deal count and deal value announced in Australian and New Zealand in both Bloomberg and Thomas Reuters' league tables.

According to Bloomberg, M&A announced in H1 2017 involving Asia Pacific decreased marginally year-on-year to US\$406.8 billion. Inbound M&A activity into the region accounted for 91.7% of the region's deal volume, with US\$374 billion in transactions for the period.

Hong Kong partner Jason Sung said that despite the small decrease in M&A activity, Chinese investors are still looking for opportunities.

"China continues to tighten its foreign currency controls and the remittance of funds from Mainland China for overseas acquisitions continued to be challenging in this quarter, which has had an obvious impact on the number of outbound acquisitions."

"Nonetheless, a number of notable deals were announced or completed in the first half of the year. For example, Hong Kong Life Insurance was sold to a Chinese-backed consortium First Origin International for US\$914 million and China's Zhonghong Group acquired approximately 21% of SeaWorld."

"These types of deals illustrate that Chinese investors have access to offshore funds and financing allowing them to continue their acquisition strategies. The market in China may take more of a "wait and see" approach as the country's 19th National Congress is coming up in the autumn."

Southeast Asia Head of Corporate Nicola Yeomans noted that Southeast Asia continues to be a bright spot for M&A activity within the region, notching up a 50 per cent increase in activity year on year.

"Regional deal values are higher, largely due to a number of SGX listed company takeovers recently announced and private equity buyers in particular declaring Southeast Asia a top target. In terms of deal volume, Indonesia and Malaysia have contributed the most so far this year - Indonesia in particular is seeing a resurgence of activity following the country's upgrade by the rating agencies in May. This led to an immediate jump in the value of listed equities and a wave of rebooted and new deals."

"Across the region, the telecoms, media and technology sector is looking particularly healthy and early-stage M&A activity looks to be double the size of last year. Renewables is another key sector, with investment in this area accounting for more than half of the energy transactions so far this year, although oil, gas and conventional power deal activity also remain strong."

Head of Corporate, Australia, Andrew Pike explained that market confidence in Australia remains strong.

"Heading into H2, the outlook for M&A activity in Australia remains strong. With the continued availability of debt, we are seeing an increased level of confidence from a number of clients to do strategic deals and look for acquisition opportunities."

"In terms of sectors, infrastructure remains strong as well as financial services and energy. The media sector is also seeing activity and this sector will be interesting to watch given the regulatory environment."

MEDIA CONTACT

For further information on this news article, please contact:

**KELLY MURRAY, EXTERNAL
COMMUNICATIONS LEAD**

SYDNEY

Tel: +61 2 9322 4472

Email: kelly.murray@hsf.com

**SALLY GREIG, HEAD OF
COMMUNICATIONS, ASIA**

HONG KONG

Tel: +852 21014624

Email: sally.greig@hsf.com