

WORLEY BECOMES FIRST DEFENDANT TO WIN SHAREHOLDER CLASS ACTION IN AUSTRALIA

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News

In the first Australian shareholder class action won by a defendant, and only the second shareholder class action in the jurisdiction to reach judgment, the Federal Court of Australia has handed down its decision in *Crowley v Worley Limited*, dismissing the applicant's claim against Worley and awarding the defendant costs.

The Honourable Justice Jacqueline Gleeson found that Worley had reasonable grounds in making and maintaining its views about its FY2014 earnings guidance throughout the claim period, including by reference to its FY2014 budget. Justice Gleeson also found that the process by which the FY14 budget was developed was reasonable (contrary to the applicant's contention).

Herbert Smith Freehills represented Worley. The Herbert Smith Freehills team was led by partners [Jason Betts](#) and [Christine Tran](#).

Class actions partner Jason Betts said this was an important day in Australia's class actions history.

"The Court's decision represents the first dismissal of a shareholder class action after a full trial, and we are proud to have represented Worley."

"This class action was first filed five years ago in October 2015, and the trial itself was heard over five weeks in September and December 2019. It has been one of the longest running shareholder class actions in Australia."

“Christine and I are extremely proud of the work of Herbert Smith Freehills’ market leading class action team in Sydney, and are indebted to the lawyers, paralegals and support staff who assisted on this matter.”

Class actions partner Christine Tran said the applicant brought the case on behalf of persons who acquired an interest in ordinary shares in Worley during the period 14 August 2013 to 19 November 2013.

“We are pleased that the Court dismissed the applicant’s allegations and favourably received Worley’s evidence, particularly the evidence of its senior leaders.” Ms Tran said.

“Worley is understandably pleased with the outcome after such a prolonged process, and we congratulate them on this significant win,” Ms Tran said.