



HERBERT
SMITH
FREEHILLS



PHILIPPA STONE

PARTNER

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Philippa specialises in equity and hybrid raisings and mergers and acquisitions.

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BACKGROUND

Philippa has honours degrees in Arts and Law from the University of Sydney.

KEY SERVICES

Corporate
Equity Capital Markets

KEY SECTORS

Banks and other Financial Institutions
Mining

EXPERIENCE

Philippa specialises in equity and hybrid raisings and mergers and acquisitions, including public company M&A, negotiated transactions and privatisation work, and corporate reconstructions for listed companies, as well as general corporate, structured financial products and corporate governance advice.

Philippa won the Australian Deal Maker of the Year award at the *ALB Australasian Law Awards* in 2007, 2009, 2012, 2013, 2015 and 2016, and is the only lawyer to have won this award 6 times.

Philippa is the Joint Global Head of Herbert Smith Freehills' award winning Equity Capital Markets team which has helped clients raise more capital via both IPOs and hybrid offerings from 1999–2014 than any other Australian law firm (Connect 4). The team was ranked No. 1 in 2014 in both major league tables in all Australian categories (Thomson Reuters and Bloomberg, both IPOs and hybrid/equity-linked securities, by value and deal count). Philippa has been involved in numerous major public company acquisition transactions, including many in the infrastructure, agribusiness, financial services and resources sectors.

For the fifth year in a row Philippa Stone is the only Australian lawyer to be rated as a 'Star' performer in *Chambers Global Guide* for equity capital markets. She is also rated in *Chambers'* top band for M&A.

Chambers Global Guide states that 'Philippa enjoys a fantastic reputation' and that she 'is unquestionably one of the standout equity capital markets lawyers in Australia, and she is also extremely highly regarded for her M&A work. Clients say: She is simply outstanding - there is never a problem that she cannot solve.'

Philippa is also recognised as a leading equity capital markets lawyer in the peer reviewed Australian edition of *Best Lawyers*, in *PLC Which Lawyer* and in the *Asia Pacific Legal 500* results.

Philippa's recent experience includes:

CAPITAL MARKETS

- acting for the Commonwealth Government on the \$5.8 billion initial public offering of its equity in Medibank Private, Australia's largest IPO in 2014 and one of the largest in the world for 2014 (2015 Australasian Lawyer Awards Equity Deal of the Year and 2015 Law Institute of Victoria Awards Deal of the Year);
- acting for the Commonwealth Government on the landmark privatisation equity offers of Telstra 1, Telstra 2 and Telstra 3, among Australia's largest ever equity offerings. She led Herbert Smith Freehills' team on Telstra 3 which was Australia's second largest-ever equity raising at \$15.5 billion, and among the largest worldwide;
- acting for SAS Trustee Corporation (STC) during the competitive dual-track sale process of its financial planning business StatePlus, a major New South Wales Government privatisation in 2016;
- acting for both issuers and underwriters in many other major IPOs, including Pepper Group, Healthscope (second largest Australian IPO in 2014, after Medibank Private on

which she also acted), Touchcorp, Genworth Australia, oOhMedia, Surfstitch, SG Fleet, Spotless, Asaleo Care, Mantra, National Storage REIT, Centuria REIT, Veda, Aston Resources (the largest coal sector IPO in Australia to date), Royal Wolf (Finance Asia's 2011 IPO of the Year), OzForex, SCA Property Group (Woolworths' spin-off of its property business), National Storage REIT, Miclyn Express Offshore, Transfield Services Infrastructure Fund, Babcock & Brown Power, SPAusNet (multi-award winning), Pacific Brands (multi-award winning), Promina (multi-award winning), New Zealand Telecom (involving Australian, US and NZ public offerings), Commonwealth Bank of Australia, David Jones, Adsteam Marine, Record Investments, Allco Max, Macquarie Communications Infrastructure Group, Worley Group, Just Group, Bradken and Repco;

- acting for both issuers and structurers/underwriters in numerous financial sector hybrid equity issues (generally qualifying as regulatory capital), including Commonwealth Bank of Australia's retail offerings of PERLS, including Basel III Tier 1 capital compliant \$1.45 billion PERLS VIII and concurrent PERLS reinvestment offer (one of the largest Australian retail hybrid offerings for 2016), \$2 billion PERLS VI and VII (PERLS VII was Australia's largest hybrid offering in 2014), \$2 billion PERLS V (Insto Distinction Awards 2009 'Hybrid Deal of the Year'), \$1.47 billion PERLS IV, and also PERLS III and PERLS II), ANZ's \$850 million Capital Notes 3 (2015), \$1.3 billion Capital Notes 2 (2014), \$1.12 billion Capital Notes (2013), \$1.5 billion Retail Subordinated Notes (2012), \$1.25 billion CPS3 (2011) and \$1 billion CPS (CFO Awards 2010 'Hybrid Deal of the Year' 2010), AMP's \$230 million Capital Notes 2 (2015) and \$325 million Subordinated Notes 2 (2013), Macquarie's \$500 million Capital Notes 2 (2015) and \$600 million Capital Notes (2013), Westpac's \$1.32 billion Capital Notes 3 (2015), \$1.25 billion Capital Notes (2013), \$925 million Subordinated Notes II (2013), \$500 million Subordinated Notes (2012) and \$750 million Capital Notes 3, NAB's \$1.4 billion Convertible Preference Shares (2013), and Suncorp's \$330 million (2016) and \$225 million (2015) Subordinated Notes;
- acting for both issuers and structurers/underwriters in numerous corporate hybrid equity, convertible bond and other bond issues including, Yancoal \$1.8 billion SCNs (Australia's second largest hybrid offering in 2014), AGL Energy \$650 million Subordinated Notes, Paladin Energy US\$274 million Convertible Bonds, Paladin Energy \$300 million Convertible Note, Transpacific Industries \$348 million Convertible Notes, CFS Retail Property Trust \$600 million Convertible Notes, St Barbara Limited \$100 million Convertible Notes, ING Industrial Fund \$700 million Exchangeable Notes and Centennial Coal \$165 million Convertible Notes;
- co-developing the innovative 'Jumbo' (or ANREO) accelerated entitlement offer structure, first used in Adsteam Marine (INSTO Magazine's 2001 Innovative Deal of the Year), and now widely used by Australian companies (and recognised in recent changes to ASX's listing rules). She has subsequently acted on numerous other raisings using this structure including Commonwealth Bank of Australia on its \$5.1 billion entitlement offer, one of the largest ever rights issues in Australia, NEXTDC, Spark Infrastructure, Syrah Resources, Arrium, Macquarie Infrastructure Group, QBE, Amcor, Investa Property Group, Centennial Coal, Deutsche Industrial Trust, Macquarie Pro Logis Trust, Australian Infrastructure Fund, Incitec Pivot, CSR, Dexus, Macquarie Office Fund, STW, Transfield Services Infrastructure Fund, Ten Network Holdings, Mirvac, Greencross and many others. She also acted for MCIG on its landmark \$900 million raising to fund its

acquisition of ntl:Broadcast which used the 'RAPIDS' (or AREO) accelerated renounceable entitlement offer structure for the first time, as well as acting on subsequent RAPIDS or variant offers such as Macquarie Countrywide, WorleyParsons, Westfield, TransPacific, Fisher & Paykel, FKP Property Group, Ten Network Holdings and Woodside Petroleum. She has also acted for either the issuer or underwriter on many PAITREO offers (accelerated entitlement offers with retail rights trading), including AGL, ASX Limited (which was one of the largest secondary offerings in 2013 and was interesting, as a raising by the operator of Australia's major stock exchange), ALS and Brambles;

- acting for Contact Energy Limited on its ASX listing as an exempt foreign entity (which included Origin Energy selling down its majority shareholding in Contact Energy Limited);
- acting for the joint lead managers in Westpac's \$672.4 million innovative retail prospectus sell-down in BT Investment Management (including entitlement components to both Westpac and BT Investment Management shareholders);
- acting for the underwriters of Rio Tinto's US\$15.2 billion rights issue, one of the largest rights issues ever, and with complex legal aspects arising from Rio Tinto's dual listed company structure;
- acting for Yancoal Australia Limited on its \$8 billion scrip merger with Gloucester Coal (including the issuance of innovative Contingent Value Rights) and ASX listing, the first Chinese SOE listing on ASX;
- acting on a number of complex recapitalisations, many involving cornerstone investors and complex interactions between debt and equity arrangements, including Brookfield/BBI (\$1.8 billion), GIC/GPT, Warburg Pincus/TransPacific, Elders Australia and Fisher & Paykel.

MERGERS & ACQUISITIONS

Philippa has been involved in major public company acquisition transactions, including many in the infrastructure, agribusiness, financial services and resources sectors.

In 2014 she acted for AGL Energy on its successful \$1.5 billion bid for Macquarie Generation, for UGL on the \$1.2 billion sale of its global DTZ business and for a member of the successful bidding consortium in the \$7.1 billion QML toll road network sale. She also acted for Yancoal Australia Limited on its \$8 billion scrip merger with Gloucester Coal (including the issuance of innovative Contingent Value Rights) and ASX listing, the first Chinese SOE listing on ASX, for Bendigo and Adelaide Bank on its acquisition of Bank of Cyprus and associated capital raising, and for AGL Energy on its acquisition of the remaining interests in the Loy Yang A power station and adjacent coal mine, at an enterprise value of \$3.1 billion, and associated capital raisings. She also advised Aston Resources on its \$5 billion merger of equals with Whitehaven Coal. In 2013 she was involved with two contested takeovers, acting for Careers Australia Group in relation to the successful off-market takeover bid for all of Careers' shares made by Cirrus Business Investments Limited and for Resimac on its and AMAC's successful acquisition of RHG by scheme arrangement (and associated acquisition of RHG's \$2 billion loan book). She also recently advised Carabella Resources in response to the successful takeover bid by China Kingho Energy and Hanlong (Africa) Mining Investment Limited on its proposed \$1.3 billion merger with Sundance Resources Limited by scheme of arrangement.

She acted for Transfield Services Infrastructure Fund on Ratchaburi Energy's 'take private' proposal involving schemes of arrangement and associated transactions, and recently acted for DP World in the sell-down of a 75% interest in its \$1.8 billion Australian ports business to a consortium of investors led by Citigroup, for Aspen Asia Pacific in its \$900 million acquisition of Sigma's pharmaceutical business, for Prime Infrastructure in its US\$2.5 billion merger by scheme of arrangement with Brookfield Infrastructure, for Viterra in its \$1.6 billion merger with ABB Grain by scheme of arrangement, for Macquarie Communications Infrastructure Group in its \$1.5 billion acquisition by CPPIB by scheme of arrangement, for CBA in its \$2.1 billion acquisition of BankWest, for Energy Developments Limited in its strategic review and response to the PEP 'take private' bid and for WorleyParsons in its successful takeover bid for Evans & Peck.

She advised Promina on its \$7.9 billion merger with Suncorp (one of the largest insurance sector mergers ever in Australia), BUPA on its innovative \$2.4 billion acquisition and demutualisation of MBF, and for Babcock & Brown on the \$8 billion acquisition of Alinta. She also acted for Babcock & Brown on the 'take private' acquisition of BEI. She was part of the team that advised the Commonwealth Bank in its \$10 billion merger with Colonial Limited, the largest transaction of its kind in Australian corporate history. Other major public M&A matters include St George Bank's \$2.7 billion acquisition of Advance Bank (and St George's earlier proposal for Metway Bank), QBE's \$8 billion proposal for IAG, OMV's successful hostile bid for Cultus, Adsteam's bid for Holyman, Crosby/Sunov's bid for Novus petroleum, the CSR/Rinker demerger and Shell's bid for Woodside Petroleum.

Philippa was a key adviser to CSR in relation to its demerger proposal to split its sugar and building products businesses after Herbert Smith Freehills successfully appealed the Federal Court's decision to block the proposal (culminating in the sale of the sale of the sugar division to Wilmar). She also advised Recall on its recent demerger from Brambles.

She advised the Commonwealth Government on the \$5.58 billion sale of Sydney Airport, and also acted for Flinders Ports, the successful bidder in the sale of South Australia's ports, as well as acting on a number of other airport transactions (Townsville/Mt Isa, interests in Adelaide and the Northern Territory airports, Bankstown/Camden/Hoxton Park, Hobart), for ABN AMRO on equity investment aspects of its Brisbane North South Bypass Tunnel bid and acted for Macquarie on its responses to corporate spoiler activity in connection with the BrisConnections project. She also advised Macquarie in the internalisations of management of Macquarie Airports and MIG.

She also advised the Commonwealth Government on Scoping Studies in relation to Medibank Private and Telstra 2 and 3, and a State Government on a privatisation Scoping Study for a forestry asset.