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Equity Capital Markets

SLAUGHTER AND MAY

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"Clients rave about the high standard of the lawyers on parade here: 'Quality flows right through the ranks at Slaughters'" (Chambers UK)

An overview of Slaughter and May

Legal advice and transaction management of the highest quality in the UK and worldwide

- Slaughter and May is a leading international law firm which provides top quality corporate, commercial and financial legal advice to market leaders throughout the world
- quality of advice is our most important objective, sustained by lawyers recruited, trained and developed within the firm
- this is always combined with commercial awareness and a “can-do” approach
- our overseas offices and international connections allow us to provide a seamless and premium quality cross-border service
- we deliver projects on time and within budget.

“The sophistication of Slaughter and May’s work, rather than the length of its deal list, marks it out as one of the leading equity firms” (IFLR 1000)

What we deliver

A full range of services for equity capital market transactions

- Due diligence – international coverage with an organised but market-sensitive approach
- pre IPO structuring – advice on how to structure and package the group for the IPO, including intra-group reorganisations and establishing the best jurisdiction for the new parent company
- regulatory advice – based on many years experience of dealing with regulated industries and state-owned enterprises, practical advice as to dealing with regulators in order to obtain necessary consents as well as assisting in structuring the post IPO regulatory environment
- prospectus/offering circular writing – many years' experience in a wide range of industries, acting for issuers and managers/underwriters
- selling structures/documentation – a deep knowledge of the markets and of evolving regulatory requirements and extensive experience of simultaneous offerings worldwide
- listing procedures – experience on all of the world's major, and many other, stock exchanges
- marketing support – ability to deliver practical guidance to support the preparation and distribution of research, pre-marketing, one-on-one visits and other marketing.

"The team is praised for its 'tremendous technical knowledge'" (The Legal 500 UK)

Our equity capital markets practice

A substantial and long-established equity capital markets practice

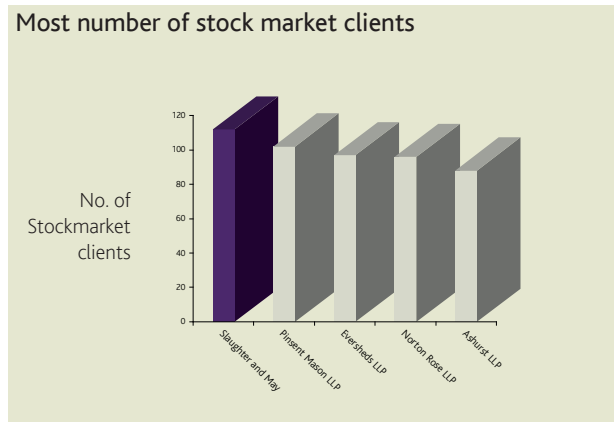
- Leading practice in equity capital markets work, handling primary and secondary offerings throughout the world, in many different industry sectors, acting for both issuers and underwriters/managers
- we also have a significant practice in rights issues, issues of convertible and exchangeable securities, placings, equity-derivatives and other forms of equity issuance
- extensive experience in dealing with privatisations in Europe, PRC and Asia and the bringing to market of regulated industries
- we regularly work on a variety of equity capital market transactions not only in Europe, but also in Russia, China, Hong Kong and a number of other Asian Countries
- many years of leading UK domestic equity capital markets work and its development, helped by our extensive international debt capital markets practice, into the international equity capital markets.

*“Operating from London and Hong Kong, Slaughter and May’s international capital markets practice is regarded as one of the strongest in the world, particularly for equity matters”
(Chambers Global)*

Our credentials

Recommended for ECM in the UK and leading law firm for ECM in Hong Kong

- **Leading** law firm (jointly) for Equity Capital Markets in the UK (*IFLR 1000, 2010*)
- **Recommended** for Equity Capital Markets in the UK (*PLC Which Lawyer? Yearbook 2009*)
- **Top** law firm (jointly) in Equity Capital Markets in Hong Kong (*IFLR 1000, 2010*)
- **Top** firm for companies listed on the London Stock Exchange (*Hemscott, November 2009*)
- Equity Team of the Quarter (*Financial News, October 2009*)



(Source: Hemscott Corporate Advisers Rankings Guide, November 2009)

Selected examples of our ECM work

Significant transactions throughout the world for both issuers and managers/underwriters – acting for issuers helps us to understand what they want and helps us to help you to advise your issuer clients

Initial Public Offerings

Acting for Issuers/Sellers:

- **Standard Life** on its offer of shares to raise approximately £2.2 billion and its flotation on the London Stock Exchange
- **New Look** on its initial public offering to raise approximately £650 million and its flotation on the London Stock Exchange
- **Resolution** on a placing to raise up to £660 million and on a listing of its shares on the London Stock Exchange

Acting for Managers/Underwriters:

- **UBS**, as sole global coordinator, **UBS, Credit Suisse** and **CICC**, as joint bookrunners, joint sponsors and joint lead managers, and **Goldman Sachs**, the Hong Kong Underwriters, on the US\$3.1 billion initial public offering and listing of the H Shares of China Pacific Insurance (Group) on the Main Board of the Hong Kong Stock Exchange. China Pacific Insurance is a leading composite insurance group in the PRC – *this was one of the largest IPOs in Hong Kong, and the world's seventh-largest IPO, in 2009*
- **Banco Caboto, ING Bank and Centrosim**, the joint institutional managers, on the initial public offering of Società Aeroporto Toscano Galileo Galilei on the Milan Stock Exchange
- **Lazard**, as financial adviser and joint sponsor, **Merrill Lynch** as joint sponsor and joint bookrunner, and **Citigroup, Credit Suisse** and **Lehman Brothers** as joint bookrunners, on the IPO of Hogg Robinson, the business travel company, on the London Stock Exchange

For further examples of our recent IPOs please see Appendix 1.

Selected examples of our ECM work

Other Share Issues/Offerings/Sales

Acting for Issuers/Sellers:

- **Department for Trade and Industry** on the sale of part of its interest in British Energy Group plc through an accelerated book-built offering to raise approximately £2.34 billion
- **Banco Santander** on a rights issue to raise approximately €7.2 billion
- **Standard Chartered** on a rights issue to raise £1.8 billion (net of expenses)

Acting for Sponsors/Underwriters:

- **HM Treasury** on £20 billion of capital underwritten to RBS; £17 billion underwritten to Lloyds TSB and HBOS; the take up of its rights investing £5.7 billion in the Lloyds Banking Group rights issue; and a capital injection of £25.5 billion into RBS, as part of measures to support the UK banking sector
- **Morgan Stanley & Co. and ABN Amro Bank**, as placing agents, on the placing of H shares held indirectly by the Royal Bank of Scotland Group in Bank of China, a PRC state-owned commercial bank, which raised approximately US\$2.4 billion
- **Citigroup Global Markets Hong Kong and Securities, Deutsche Bank Hong Kong, Goldman Sachs (Asia)** and **the underwriters** on a placing by PetroChina Company Limited, a company listed on the Hong Kong Stock Exchange, to raise approximately US\$2.7 billion

For further examples of our recent other issues/offerings/sales please see Appendix 1.

Our global capability

Our Approach

- Our objective is to ensure that we are able to provide our clients with first class and seamless legal advice worldwide
- Our approach places quality of advice and longstanding in-depth knowledge of the relevant jurisdiction at the heart of our international strategy
- We believe that these elements can best be provided by lawyers at the top of the profession in their own countries and that these lawyers are to be found in the independent law firms.

"Its 'best friends' relationships with the crème de la crème of European outfits enable its multi talented lawyers to demonstrate their skills on a global platform" (Chambers UK)

Our global capability

Maintaining Quality

Our relationships with the leading independent law firms around the world ensure that, for each project, we are able to assemble a team which

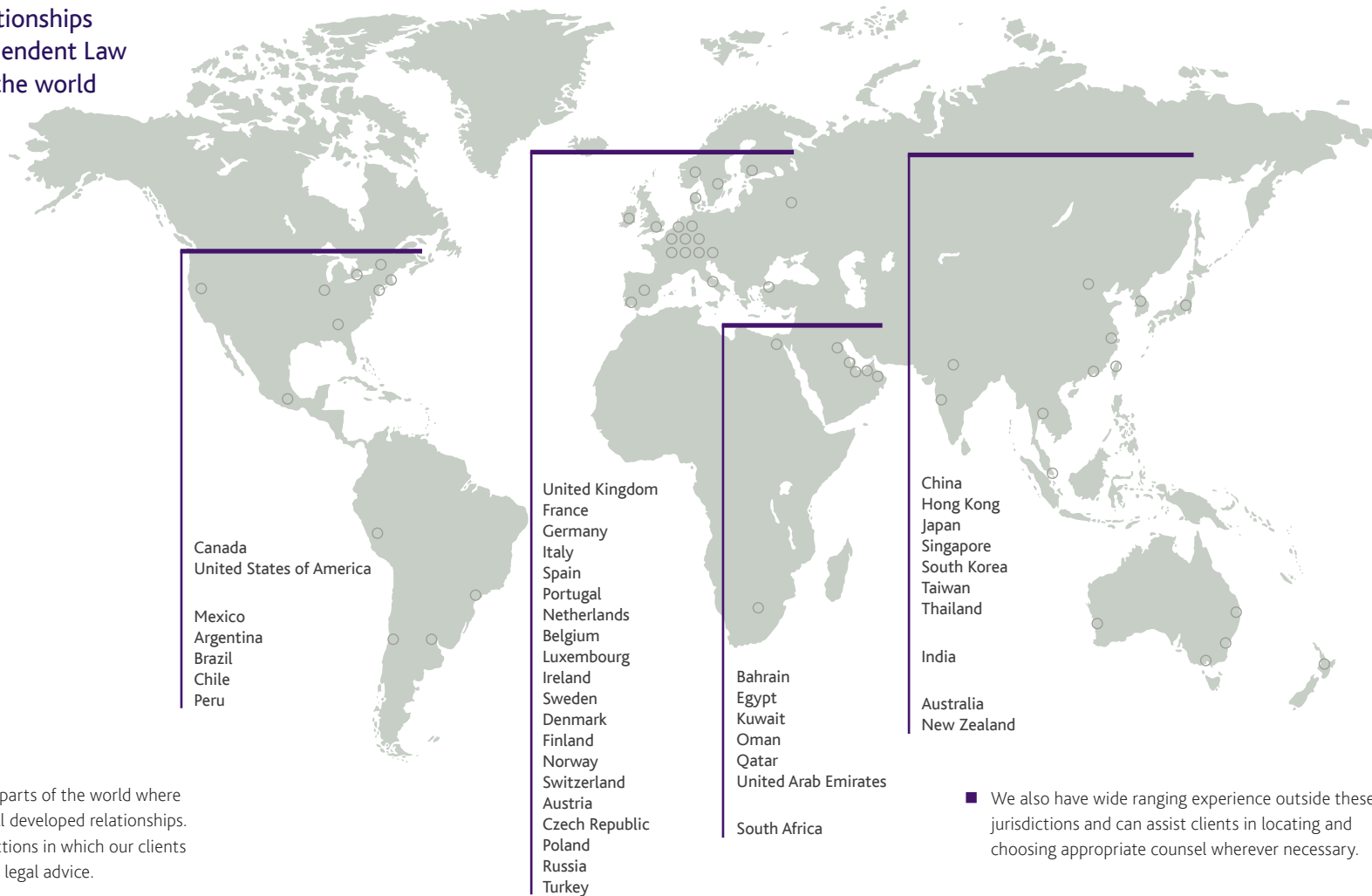
- consists of the highest quality people with the right skills and mentality
- is in tune with the relevant culture
- is based in, and at the top of the business and financial community of, the relevant jurisdictions
- works together as a single unit under a single leader with clear lines of responsibility
- comes at a competitive cost
- renders (if asked) a single bill covering all the jurisdictions.

We will work with the lawyers in each jurisdiction who we consider to have the best expertise and contacts for the particular project, taking into account any preferences our client may have.

“The firm continues to strengthen its global network of ‘best friends’, which comprises many of the world’s premier independent practices. Indeed, such is the quality of this network that many clients are ‘just as happy – perhaps even happier – to work with Slaughters on a multi-jurisdictional deal as with a firm with a network of branded offices” (Chambers UK)

Our global capability

Close working relationships
with Leading Independent Law
Firms throughout the world



■ This map highlights the parts of the world where we have particularly well developed relationships. It focuses on the jurisdictions in which our clients most commonly require legal advice.

■ We also have wide ranging experience outside these jurisdictions and can assist clients in locating and choosing appropriate counsel wherever necessary.

Our global capability

The Integrated Team Approach

How does it work in practice?

The foundation of these relationships is an agreed philosophy based on the paramount importance of the client, the highest quality legal advice and the provision of a seamless service.

This philosophy is implemented through agreed working strategies which include:

- a record of working together, often stretching back many years
- regular contact between partners and practice groups
- a programme of legal and non-legal cross-secondments between firms
- joint training programmes
- ability to pool precedents, know-how and expertise
- sharing of technology, including secure e-mail links and transaction document management.

Our global capability

The Integrated Team Approach

How does it work for the client?

For each international project we draw on longstanding relationships to bring together individuals from the relevant countries to provide the optimum legal expertise for that particular transaction, working together as one integrated team. The US attorneys forming part of the team will provide any required 10 b 5 opinion support.

We are particularly well known for our ability to manage large and complicated transactions from beginning to end and to deliver them on time.

On each transaction the lead partner, chosen in consultation with the client, will be the primary client contact point and manager of the project. He or she will ensure:

- there is no duplication of work or fees
- there is no conflicting advice between lawyers
- the transaction is managed as a single legal project
- all necessary resources are effectively deployed for the benefit of the client
- the team is based wherever is most appropriate for the transaction.

A significant number of the transactions listed in this presentation were carried out jointly by these integrated teams.

Appendix 1 – Further examples of our ECM work

Initial Public Offerings

Acting for Issuers/Sellers:

- **New Look**, a leading UK fashion retailer, on an initial public offering to raise approximately £650 million and its flotation on the London Stock Exchange
- **Metallurgical Corporation of China**, one of the largest engineering and construction companies in the world, on its global offering and listing on the Stock Exchange of Hong Kong and the Shanghai Stock Exchange
- **Resolution** on its listing of shares on the London Stock Exchange and placing to raise up to £660 million
- **Ashmore Global Opportunities Limited** on its global offer of shares on the London Stock Exchange to raise €500 million (subject to increase)
- **European Capital Limited**, a closed-ended Guernsey investment company, on the listing of its shares on the London Stock Exchange
- **3i Quoted Private Equity Limited** on a placing to raise at least £400 million and listing of its shares on the London Stock Exchange
- **RWE and Thames Water** on the proposed initial public offering of shares in Thames Water Holdings plc on the London Stock Exchange
- **Ashmore Group**, a leading dedicated specialist emerging market investment manager, on its flotation on the London Stock Exchange and a placing of its shares
- **Standard Life plc** on its offer of shares to raise approximately £2.2 billion and its flotation on the London Stock Exchange
- **Crownstone European Properties Limited** on its offer of shares seeking to raise €450 million and proposed listing on Euronext Amsterdam
- **BBA Group** on its planned demerger of Fiberweb, its materials technology business, and listing of Fiberweb on the London Stock Exchange
- **FF&P Russian Real Estate Development** on its plans to raise an initial US\$300 million through an institutional placing in Europe, the Far East and the USA and an admission on AIM
- **China National Building Material Company**, a leading state-owned PRC building materials company, on its initial public offering to raise approximately US\$265 million, and listing on the Hong Kong Stock Exchange
- **Kumho Tire Co. Inc.**, a Korean company, on the admission of global depository shares on the London Stock Exchange as part of a domestic and international public offering
- **Rightmove** on its initial public offering and listing on the London Stock Exchange
- **Dongfeng Motor Group** on its global offering and first listing on the Hong Kong Stock Exchange. Dongfeng, together with its joint ventures, was one of the three largest automotive manufacturers in the PRC in terms of sales revenue in 2004
- **Bunzl and Filtrona**, on the demerger and public listing of Filtrona plc, on the London Stock Exchange
- **Aeroporto di Venezia Marco Polo** on the international element of the initial public offering and listing on the Milan Stock Exchange
- **Royal Dutch Shell Group** on the listing on the London Stock Exchange of Royal Dutch Shell plc
- **Meetic**, the European leader on the online dating services market, on its initial public offering in and outside France
- **CSR** on its initial public offering and listing on the London Stock Exchange
- **China Resources Peoples Telephone Company Limited** on its US\$156.6 million initial public offering and listing in Hong Kong and the capital reduction exercise prior to the offering.

Appendix 1 – Further examples of our ECM work

Initial Public Offerings

Acting for Managers/Underwriters:

- **UBS**, as sole global coordinator, **UBS**, **Credit Suisse** and **CICC**, as the joint bookrunners, joint sponsors and joint lead managers and Goldman Sachs, the Hong Kong underwriters, on the US\$3.1 billion initial public offering and listing of the H shares of China Pacific Insurance (Group) on the Main Board of the Hong Kong Stock Exchange. China Pacific Insurance is a leading composite insurance group in the PRC
- **Goldman Sachs and Morgan Stanley**, as joint global coordinators and **Goldman Sachs**, **Morgan Stanley** and **Deutsche Bank** as joint bookrunners, on the initial public offering and Hong Kong listing of Alibaba.com Limited which raised approximately HK\$11.6 billion (US\$1.5 billion) – this is reported to be the largest technology company initial public offering globally in 2007
- **Banco Caboto**, **ING Bank** and **Centrosim**, the joint institutional managers, on the initial public offering of Società Aeroporto Toscano Galileo Galilei on the Milan Stock Exchange
- **Morgan Stanley**, as global coordinator and bookrunner, and **ICEA Capital** as joint lead manager, on the initial public offering and Hong Kong listing of KWG Property Holding which raised approximately HK\$5.2 billion (US\$671 million)
- **Morgan Stanley**, **UBS** and **CICC**, the joint global co-ordinators and joint bookrunners, on the initial public offering and Hong Kong listing of Fosun International Limited which raised approximately HK\$11.5 billion (US\$1.5 billion) – the third largest IPO on the Hong Kong Stock Exchange in 2007
- **Lazard**, as financial adviser and joint sponsor, **Merrill Lynch** as joint sponsor and joint bookrunner, and **Citigroup**, **Credit Suisse** and **Lehman Brothers** as joint bookrunners, on the initial public offering of Hogg Robinson, the business travel company, on the London Stock Exchange
- **N M Rothschild & Sons** as financial adviser and sponsor to London Merchant Securities plc, in relation to the demerger and listing on AIM of its Investment Division under a new holding company Leo Capital plc
- **J.P. Morgan Securities** as lead manager, on the listing of the global depository shares of Hanatour Service Inc., a Korean company, on the London Stock Exchange
- **Morgan Stanley Dean Witter Asia**, the sponsor, in relation to the listing of shares of O2Micro International Limited on the Hong Kong Stock Exchange – this is the first company to be listed on both Nasdaq and the Hong Kong Stock Exchange
- **Goldman Sachs (Asia)** and **The Hong Kong and Shanghai Banking Corporation**, the joint sponsors and joint bookrunners, and **the underwriters** on the global offering and listing on the Hong Kong Stock Exchange of Bank of Communications raising US\$1.8 billion – this was the first PRC national commercial bank to seek an overseas listing
- **Kaupthing Bank**, as listing agent and manager, in relation to the private and public offering of Mosaic Fashions on the Iceland Stock Exchange

Appendix 1 – Further examples of our ECM work

- **Morgan Stanley Dean Witter Asia**, the global coordinator, bookrunner and sponsor, in relation to the global offering and listing on the Hong Kong Stock Exchange of Samson Holdings Ltd to raise approximately US\$285 million. Samson is one of the leading wholesalers of residential furniture in the U.S.
- **Citigroup, Deutsche Bank, Goldman Sachs and Morgan Stanley** in connection with eircom's €831 million initial public offering on the London Stock Exchange and the Irish Stock Exchange
- **Morgan Stanley Dean Witter Asia and China International Capital Corporation** in connection with China Unicom Limited's global offering of shares listed on the Hong Kong and New York Stock Exchanges
- **Goldman Sachs International, JPMorgan and UBS Investment Bank** in connection with Catlin Group Limited's US\$304 million initial public offering and listing in London.

Appendix 1 – Further examples of our ECM work

Other Share Issues/Offerings/ Sales

Acting for Issuers/Sellers:

- **Ladbrokes** on a rights issue to raise approximately £275 million (net of expenses)
- **Songbird Estates** on a placing to raise approximately £430 million; a compensatory open offer to raise approximately £190 million; and an issue of preference shares to raise approximately £275 million
- **Barratt Developments** on a rights issue to raise approximately £720.5 million
- **Standard Chartered** on a £1 billion equity placing
- **Punch Taverns** on a placing and open offer to raise approximately £375 million
- **3i Group** on a rights issue to raise approximately £700 million (net of expenses)
- **Taylor Wimpey** on a placing and open offer to raise approximately £510 million
- **Colt Telecom** on an open offer to raise approximately £178 million
- **Banco Santander** on a rights issue to raise approximately €7.2 billion
- **Standard Chartered** on a rights issue to raise approximately £1.8 billion (net of expenses)
- **Land Securities Group** on its rights issue to raise approximately £755.7 million
- **Inchcape** on a proposed rights issue to raise net proceeds of approximately £232 million
- **3i Infrastructure** on a placing and open offer to raise approximately £114.6 million
- **The Paragon Group of Companies** on a deep-discount rights issue to raise £287 million (before expenses)
- **Telenor** on the placing by an accelerated bookbuilding process of 76.5 million shares in Digi.com, a Malaysian telecoms company
- **Helphire** on a placing and open offer to raise £45 million
- **Ashmore Group** on a secondary placing of shares in Ashmore held by certain employees
- **China National Building Material Company** on a placing of new and existing H shares to raise approximately HK\$2.66 billion (US\$340 million)
- **Department for Trade and Industry** on the sale of part of its interest in British Energy Group plc through an accelerated book-built offering to raise approximately £2.34 billion
- **BAE Systems** on a placing to raise approximately £750 million (before expenses) to part finance the acquisition of Armor Holdings Inc.
- **Royal & Sun Alliance Insurance Group** on a placing to raise approximately £300 million (before expenses) to part finance the acquisition of the outstanding minority shareholdings in Codan A/S, the third largest insurer in the Nordic region
- **Ocado**, the online supermarket, on its placing and open offer to raise £30 million
- **Shire** on a placing to raise approximately US\$900 million to finance the acquisition of New River Pharmaceuticals, Inc.
- **Jarvis** on a placing and open offer to raise approximately £25 million
- **China CITIC Group Company** on the issue of shares by its PRC banking subsidiary to its Hong Kong listed subsidiary

Appendix 1 – Further examples of our ECM work

Other Share Issues/Offerings/ Sales

Acting for Sponsors/Underwriters:

- **JP Morgan Cazenove**, as bookrunner, broker, joint sponsor and financial adviser, and **NM Rothschild** as joint sponsor and joint financial adviser, on the rights issue of Laird Plc to raise approximately £89 million
- **JP Morgan Cazenove** and **RBS Hoare Govett** as joint sponsors, joint financial advisers and joint lead bookrunners on the rights issue of Intermediate Capital Group to raise approximately £351 million
- **HM Treasury** on redemption by Lloyds Banking Group of £4 billion of preference shares, financed by a compensatory open offer
- **HM Treasury** on £20 billion of capital underwritten to RBS and £17 billion underwritten to Lloyds TSB and HBOS (subject to merger)
- **Morgan Stanley & Co.** and **ABN Amro Bank**, as placing agents, on the placing of H shares held indirectly by the Royal Bank of Scotland Group in Bank of China, a PRC state-owned commercial bank, which raised approximately US\$2.4 billion
- **JPMorgan Cazenove**, as sponsor, financial adviser and joint bookrunner, and **UBS**, as joint underwriter and joint bookrunner, on a rights issue by Catlin Group Limited, the speciality insurer, to raise approximately £200 million
- **JPMorgan Cazenove** as sole sponsor, financial adviser, bookrunner and broker on a rights issue by Intermediate Capital Group to raise approximately £180 million
- **JPMorgan Cazenove** and **Rothschild** as financial adviser to Highland Gold Mining on a US\$400 million equity subscription by Millhouse LLC
- **Morgan Stanley & Co. International** as placing agent, on a placing of 300 million shares in Century Sunshine Ecological Technological Holdings Limited and subsequent partial top-up subscription
- **Morgan Stanley Real Estate Fund** and **Garville Limited**, as sellers, on an accelerated bookbuilt offer by Morgan Stanley Securities, of 22.4% of the issued share capital of Great Portland Estates
- **Merrill Lynch International** and **Hoare Govett**, the underwriters, and **N M Rothschild & Sons** the sponsor, on a fully underwritten rights issue by Premier Foods to raise approximately £460 million to fund the acquisition of the UK and Irish businesses of the Campbell Soup Company
- **Morgan Stanley & Co. International** on a placing by Shanghai Forte Land Company Limited, a company listed on the Hong Kong Stock Exchange, of shares representing approximately 20 per cent. of the existing H shares in issue, to raise approximately US\$88 million
- **Citigroup Global Markets Hong Kong and Securities, Deutsche Bank Hong Kong, Goldman Sachs (Asia)** and the underwriters on a placing by PetroChina Company Limited, a company listed on the Hong Kong Stock Exchange, to raise approximately US\$2.7 billion
- **Morgan Stanley**, as underwriter, financial adviser and sponsor to eircom Group plc, in relation to the rights issue by eircom Group to raise approximately €420 million to fund the acquisition of Meteor Mobile Communications Limited
- **JP Morgan Cazenove**, as financial adviser to Aberdeen Asset Management, on a £215 million rights issue by Aberdeen Asset Management to finance the acquisition of certain fund management businesses from Deutsche Asset Management Group

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