

Herbert Smith

News release

6 September 2010

Herbert Smith advises Banpu on its US\$400m sale of stake in Indonesian coal mining unit

Herbert Smith and its associated Indonesian firm Hiswara Bunjamin & Tandjung (HBT), have advised Banpu, Thailand's largest coal miner, on the US, UK, Singapore and Indonesian law aspects of the sale of an 8.7% stake in its listed Indonesian subsidiary, PT Indo Tambangraya Megah Tbk (ITMG), for US\$400 million.

The transaction launched and priced overnight on 1 September and is Indonesia's second largest block trade in the last decade. Upon completion of the sale, Banpu will still retain a stake in ITMG of about 65%.

Banpu was established in Thailand in 1983 and was listed on the Stock Exchange of Thailand in 1989. The company focuses on power project development in Thailand, coal mining in Indonesia, port operations and industrial minerals.

The Herbert Smith corporate team was led by Hong Kong partner **John Moore** and senior associate **Siddhartha Sivaramakrishnan**, together with Singapore of counsel **Kwok Hon Yee**. The HBT/Herbert Smith team in Jakarta was led by partners **David Dawborn** and **Iril Hiswara**.

Siddhartha Sivaramakrishnan commented:

"We are delighted to have assisted Banpu on this important transaction, particularly in the current challenging market conditions. This transaction showcases our strength in cross border Asian capital markets financings, particularly our on the ground US, UK, Singapore and Indonesian law capabilities that enable us to provide seamless service to our international clients."

David Dawborn added:

"This significant deal once again emphasises the high quality reputation of Herbert Smith and HBT, through our successful 10 year association, as the leading corporate legal practice for Indonesian transactions for international clients. There is a high level of investor activity in Indonesia currently and it is increasing steadily. Our long-standing expertise in cross border transactions in Indonesia is well recognised by sophisticated foreign investors and financial institutions."

Goldman Sachs ran the international bookbuilding. Bahana Securities, Mandiri Sekuritas and Danareksa Securities handled the local trading process.

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Notes to editors

1. Herbert Smith LLP is an international legal practice with 1400 lawyers (including over 250 partners) and a network of offices in Europe, the Middle East and Asia. It has a formal alliance with leading German firm Gleiss Lutz and leading Dutch and Belgian firm Stibbe. www.herbertsmith.com
2. Herbert Smith LLP has a long-standing association with the leading Indonesian law firm Hiswara Bunjamin & Tandjung in Jakarta. Herbert Smith/HBT focuses on major cross border transactions and projects in Indonesia, specialising in M&A, corporate finance/securities, natural resources and dispute resolution. Uniquely, two Herbert Smith partners and a number of its associates are seconded full time to HBT in Jakarta.
3. Herbert Smith operates a leading Asian capital markets practice from our well-established presence in Bangkok, Beijing, Hong Kong, Jakarta (in association with HBT), Shanghai, Singapore and Tokyo. We are retained by major issuers and investment banks as advisers on high profile equity and debt offerings across Asia. These include advising:
 - **Axiata Group Berhad** on its Regulation S international offering of US\$300 million 5.375% guaranteed notes due 2020, listed on the Hong Kong Stock Exchange
 - **CICC, Goldman Sachs, Morgan Stanley, Deutsche Bank, JP Morgan, Macquarie and ABCI Securities** as joint sponsors, joint bookrunners and joint lead managers on the Hong Kong aspects of the US\$22.1 billion listing of A and H shares of Agricultural Bank of China Limited
 - **Credit Suisse (Hong Kong)**, the sponsor, in relation to the dual primary listing of Prudential on the Hong Kong Stock Exchange by way of introduction, including (i) advising on the arrangements to be implemented to provide liquidity to meet demand for Prudential shares upon and in the period immediately following the introduction, and (ii) the proposed listing of Prudential Group on the Hong Kong Stock Exchange upon completion of the acquisition of AIA Group. We also advised **Credit Suisse Europe (Securities), HSBC and JP Morgan Cazenove** in relation to the Hong Kong aspects of the proposed US\$21 billion rights issue by Prudential
 - **Goldman Sachs**, as the sole international bookrunner, on the sale of 1.25 billion shares of PT Adaro Energy, an Indonesian coal mining company, by a group of selling shareholders, raising Rp1.5 billion (US\$150 million)
4. Our Asian capital markets practice was further strengthened by Siddhartha Sivaramakrishnan, who joined Herbert Smith as a US-qualified senior associate in April 2010. Siddhartha has practised in the Asian and European markets and has extensive experience representing issuers and underwriters in a wide range of US and international equity and debt capital markets transactions. His sector experience includes telecommunications, information technology, insurance, commercial banking, oil and gas and industrials.
5. For further information please contact Lydia Lam in the Asia Business Development team on +852 2101 4609 or lydia.lam@herbertsmith.com