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CONNECT 4 - 2008 Mergers & Acquisitions Legal Advisors Survey

2008 was a relatively uneventful year for ASX company takeover activity.

There were 62 deals announced which were valued at \$64.01B*. This result was one third down on 2007 figures and pushed the market back to 2004 levels.

The second half of the year was particularly quiet with only 22 takeovers announced after the 30th of June.

The resources sector - Metals, Mining, and Energy - accounted for 52% of the number of deals announced. This sector also accounted for 7 out of the top 10 transactions for the year as well as the most visible proposed takeover – the abandonment of BHP's offer for Rio Tinto.

The largest deal of the year was Westpac's acquisition of St. George Bank which was valued at \$18.64B.

Schemes of Arrangement, as a Takeover instrument, retreated in popularity in 2008 with 30% of deals announced using this transaction method. This varied from a total of nearly 50% of all deals announced in 2007.

Allens Arthur Robinson were the top legal advisors for the second straight year with 9 transactions to their credit for a total value of \$29.53B. The top 5 legal advisors in 2008 also included Mallesons Stephen Jaques (10 deals valued at \$26.40B), Clayton Utz (8 deals valued at \$21.77B), Gilbert + Tobin (2 deals valued at \$18.81B), and Blake Dawson (10 deals valued at \$6.41B).

The following tables and graphs summarise M&A activity in 2008.

Legal Advisers – Mergers & Acquisitions – 2008

Allens Arthur Robinson Top M&A Performer

The following tables summarise the activity of the top 10 legal firms involved with M&A activity in Australia in 2008.

Rank	Legal Adviser	No. of Deals	Value of Deals \$AUD(m)
1	Allens Arthur Robinson	9	29,532.65
2	Mallesons Stephen Jaques	10	26,400.47*
3	Clayton Utz	8	21,768.10
4	Gilbert + Tobin	2	18,806.47
5	Blake Dawson	10	6,409.68*
6	McCullough Robertson	3	6,230.46
7	Minter Ellison	9	2,860.86
8	Corrs Chambers Westgarth	6	2,418.62
9	Deacons	3	1,914.21
10	Baker & McKenzie	5	1,329.47

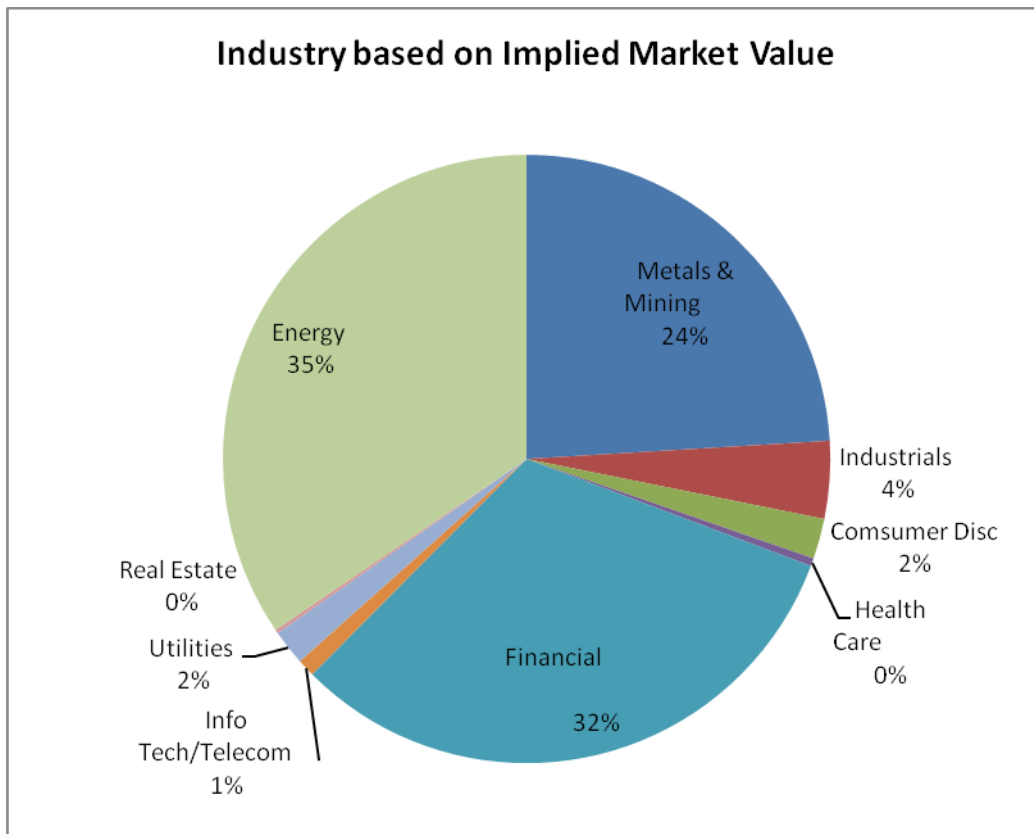
* Malleeson Stephen Jaques and Blake Dawson value of deals does not include Australian Wealth Management Ltd (Target) / IOOF Holdings Ltd (Bidder). Scheme document for this deal is not available.

Top 5 Legal Advisers Industry Analysis					
	<i>1. Allens Arthur Robinson</i>	<i>2. Mallesons Stephen Jaques</i>	<i>3. Clayton Utz</i>	<i>4. Gilbert + Tobin</i>	<i>5. Blake Dawson</i>
Industry					
Metals & Mining	6,633.43	3,567.20	6,102.41	-	5,861.82
Industrials	2,077.25	2,119.94	482.67	-	-
Consumer Disc / Consumer Staples	393.91	519.47	-	-	33.23
Health Care	-	-	-	-	264.83
Banking/Finance/Insurance	19,471.73	-	15.53	18,635.47	125.97
Information Technology/ Telecommunications	411.75	-	153.51	-	-
Utilities	-	-	-	-	-
Real Estate	-	-	-	-	123.83
Energy	544.58	20,193.87	15,013.98	171.00	-
TOTAL M(\$)	29,532.65	26,400.47	21,768.10	18,806.47	6,409.68

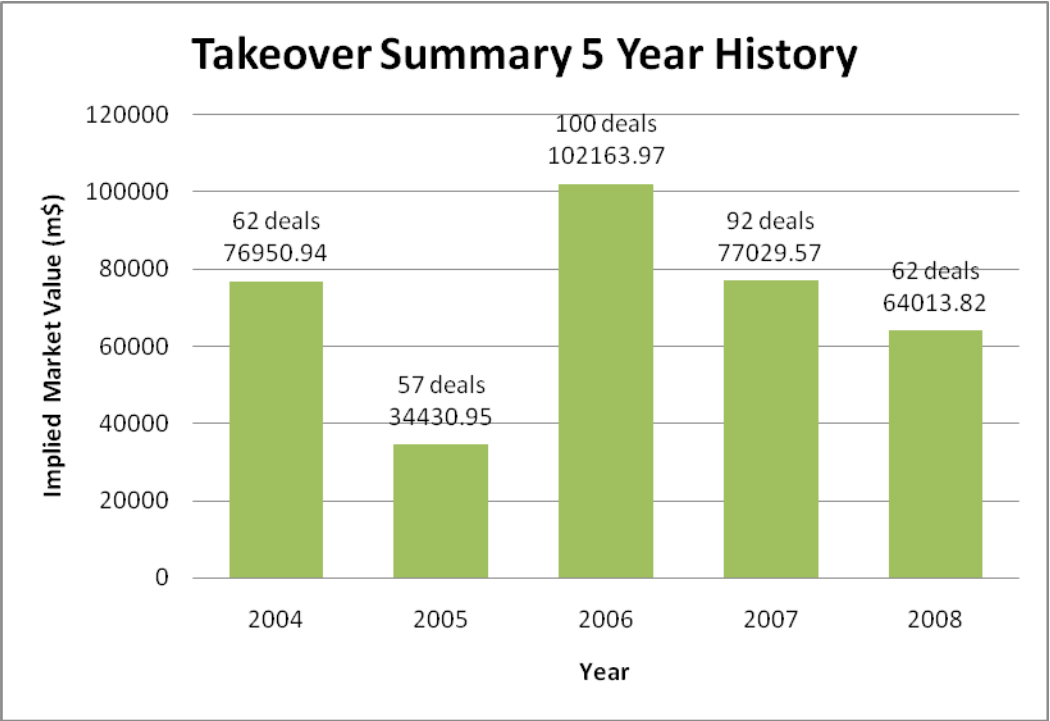
Top 10 Deals for 2008

The following information provides a break down of the top 10 M&A transactions in 2008.

Rank	Target	Bidder	Industry	Value \$(M)
1	St George Bank Ltd	Westpac Banking Corporation	Banking/Finance/ Insurance	18,635.47
2	Origin Energy Ltd	BG International (Aus) Investments 1 Pty Ltd	Energy	13,652.74
3	Zinifex Ltd	Oxiana Ltd	Metals & Mining	6,063.55
4	Queensland Gas Company Ltd	BG International (Aus) Investments Pty Ltd	Energy	5,344.38
5	Portman Ltd	Cleveland-Cliffs Australia Pty Ptd	Metals & Mining	3,567.20
6	Dyno Nobel Ltd	Incitec Pivot US Holdings Pty Ltd	Industrials	2,077.26
7	Midwest Corporation Ltd	Sinosteel Ocean Capital Pty Ltd	Metals & Mining	1,359.20
8	Challenger Infrastructure Fund	Arkmile Ltd	Utilities	1,200.00
9	Equigold NL	Lihir Gold Ltd	Metals & Mining	1,009.46
10	Sunshine Gas Ltd	Queensland Gas Company Ltd	Energy	837.50



This industry graph illustrates the number of takeovers for each industry sector in 2008.



The above graph provides a quick analysis of M&A activity over the last five years with respect to both the number of deals and the implied market value generated by those deals.

Survey Criteria and Definitional Terms

The figures provided in this survey include all Mergers & Acquisitions announced from the 1st of January 2008 to the 31st December 2008.

The deals which have been included are both “On-Market” and “Off-Market” where the Target is a company which is listed on the Australian Stock Exchange. Private treaty acquisitions are not included.

This survey does not include:

- Exempt Foreign Entities (as defined by the Australian Stock Exchange).
- Partial Acquisitions as per the Australian Corporations Law.
- Withdrawn Offers where no documentation has been sent to Shareholders.
- Target companies who used the ASX as a secondary listing.

This survey has been compiled using original documentation lodged with the Australian Stock Exchange.

The values of the deals put forward have been calculated using an “Implied Market Value” methodology.

* The total implied market value for the period does not include the deals listed below. At the time of this survey no documentation has been released for these transactions.

Target	Bidder	Deal Type
Australian Resources Ltd	Resource Development International Ltd	Scheme
Tasmanian Perpetual Trustees Ltd	My State Ltd	Scheme
Australian Wealth Management Ltd	IIOOF Holdings Ltd	Scheme
Scarborough Equities Ltd	Bently International Ltd	Scheme
Avexa Ltd	Progen Pharmaceuticals Ltd	Scheme
People Telecom Ltd	M2 Communications Group Ltd	Scheme
Amazing Loans Ltd	IEG Holdings Ltd	Takeover