



One Firm Worldwide<sup>SM</sup>



## HIGH-YIELD DEBT PRACTICE—ASIA

Active in the Asia-Pacific region for more than 25 years, Jones Day is well qualified to support issuers, investors and underwriters undertaking significant securities transactions both in the region and globally. Our lawyers have been involved in some of the world's largest and most complex public and private high-yield placements and bridge financings (including the US\$2 billion **Fortescue** and US\$1 billion **CITIC Resources** deals), in a wide variety of industries and in Rule 144A, Regulation S and SEC-registered transactions.

### REACTIVE TO THE MARKETS

Just as the high-yield debt market has changed over the last two years, so too has our high-yield practice.

We have adapted to the drop in high-yield issuance with a wide variety of solutions for our clients, advising them on high-yield restructuring and liability management, providing innovative debt instruments, and drawing on our in-depth understanding of transactions with multiple layers of financing.

#### Our recent experience includes the following:

- High-yield issuance (**PT Bumi Resources** and **PT Ciliandra**).
- High-yield restructuring (the **PT Davomas** restructuring and **Mandra Forestry** exchange offer).
- High-yield liability management (**Greentown** and **City Telecom**).
- High-yield trustee counsel work (**PT Ciliandra**, **Greentown**, **PT Davomas** and **Vincom**).

## WHY JONES DAY?

We believe no law firm can provide a more advantageous balance of knowledge, experience and geographic diversity than Jones Day. Our capital markets lawyers work across practices to achieve our clients' goals in an efficient and cost-effective manner. We routinely partner with our finance, M&A and private equity lawyers to execute bridge financing and high-yield offerings in connection with acquisition transactions and bank financings. For our work on high-yield transactions internationally, we received top rankings from Thomson Reuters (2009) in multiple categories, and our lawyers are well known in Asia for their broad experience and novel solutions.

## ACHIEVEMENTS AND AWARDS

### “RESTRUCTURING DEAL OF THE YEAR”

PT Davomas Restructuring—*IFLR/Asialaw Awards* (2010 Finalist) and *ALB Southeast Asia Awards* (2010 Finalist)

### INDUSTRY RECOGNITION

Singapore-based lawyer Joe Bauerschmidt was recognized as “an outstanding high-yield player” with “vast experience” in the sector by *Chambers Asia* and *Chambers Global* (2008) and was ranked among the “Band 1” lawyers in this practice area.

### JONES DAY RANKED AMONG THE TOP FIRMS

In Thomson Reuters' high-yield league tables, Jones Day was ranked in the following categories:

- No. 2 for International High-Yield Corporate Debt (issuer legal advisor by number of issues).
- No. 11 for US High-Yield Corporate Debt (manager legal advisor by number of issues).
- No. 14 for International High-Yield Corporate Debt (issuer legal advisor by deal size).

## OUR HIGH-YIELD EXPERIENCE—A SELECTION OF CASE STUDIES

### **Mandra Forestry. Mandra Forestry Bondholders Committee's private US\$195 million Exchange Offer of Senior Notes with Sino-Forest Corporation—February 2010**

Jones Day advised the Mandra Forestry Bondholders Committee in connection with its private placement of US\$195 million 12.0% Guaranteed Senior Notes due 2013 issued by Mandra Forestry Finance Limited and certain warrants issued by Mandra Forestry Holdings Limited in exchange for the US\$185 million aggregate principal amount of 10.25% Guaranteed Senior Notes due 2014 (then trading at 107.0%) issued by Sino-Forest Corporation, a leading commercial forestry plantation operator in the People's Republic of China. The bondholders received more than par, including the trading premium on the Sino-Forest bonds and accrued interest in full from November 2007. The 10-month process (from default on the bonds through closing) was a success for all parties and represented an improvement of more than 50% over Sino-Forest's initial offer, thanks to the extensive high-yield and restructuring/insolvency experience of the Jones Day team, which enabled the bondholders to hold out for an excellent outcome.

### **PT Davomas Restructuring. Deutsche Bank's exchange offer of US\$238 million of 11.0% Guaranteed Senior Secured Notes by PT Davomas International Finance Company in a landmark Indonesian court-sponsored plan of composition—December 2009**

Jones Day represented Deutsche Bank Trust Company Americas in connection with the exchange offer and consent solicitation of US\$238 million 11.0% Guaranteed Senior Secured Notes due 2011 for US\$119 million aggregate principal amount of Variable-Rate Guaranteed Senior Secured Notes due 2014 issued by PT Davomas International Finance Company Pte. Ltd., a wholly owned subsidiary of PT Davomas Abadi Tbk, an Indonesia-based company engaged in the processing and sale of cocoa butter and cocoa powder. Jones Day's work on the deal spanned eight months, beginning with payment defaults by PT Davomas, followed by creditors' filing in the Indonesian courts under new bankruptcy-law provisions and ultimately concluding under a court-sponsored plan of composition, which was the exchange offer and consent solicitation. The transaction was the first of its kind from Indonesia.

## DEALS DRAWING ON OUR HIGH-YIELD EXPERIENCE

**US\$2.1 billion**

advice to

### **Fortescue Metals Group Ltd**

in the Rule 144A and Regulation S offering of 10.0% Senior Secured Notes, 9.75% Senior Secured Notes, 10.625% Senior Secured Notes and Senior Secured Floating-Rate Notes

August 2006

**US\$1 billion**

advice to

### **Citic Resources Holdings Limited**

in its Rule 144A and Regulation S offering of 6.75% Senior Notes

May 2007

**US\$400 million**

advice to

Deutsche Bank Trust Company Americas and DB Trustees (Hong Kong) Limited in the Rule 144A and Regulation S offering of 9.0% Senior Notes by

### **Greentown China Holdings Limited**

November 2006

**US\$400 million**

advice to

### **The Griffin Coal Mining Company PTY Ltd**

in its Rule 144A and Regulation S offering of 9.5% Senior Notes

November 2006

**US\$396 million**

advice to

Deutsche Bank Trust Company Americas and DB Trustees (Hong Kong) Limited in the tender offer and consent solicitation by

### **Greentown China Holdings Limited**

for its 9.0% Senior Notes

May 2009

**US\$300 million**

advice to

### **PT Bumi Resources TBK**

in the Rule 144A and Regulation S high-yield debt offering of its Guaranteed Senior Secured Notes due 2016

November 2009

**US\$238 million**

advice to

Deutsche Bank Trust Company Americas and DB Trustees (Hong Kong) Limited in the exchange offer of 11.0% Guaranteed Senior Secured Notes due 2011 for US\$119 million Variable-Rate Guaranteed Senior Secured Notes due 2014 and consent solicitation by

### **PT Davomas International Finance Company Pte. Ltd.**

\*Restructuring Deal of the Year\* 2010 Finalist—ALB Southeast Asia and IFLR/Asialaw Awards

December 2009

**US\$195 million**

advice to

### **The Mandra Forestry Bondholders Committee**

in the exchange of Mandra's 12.0% Guaranteed Senior Notes due 2013 for

### **Sino-Forest Corporation's**

10.25% Guaranteed Senior Notes due 2014

February 2010

**US\$160 million**

advice to

Deutsche Bank Trust Company Americas and DB Trustees (Hong Kong) Limited in a high-yield debt offering via Rule 144A and Regulation S of 10.75% Guaranteed Secured Notes due 2011 by

### **PT Ciliandra Perkasa**

December 2006

**US\$145 million**

advice to

Deutsche Bank Trust Company Americas in the redemption by way of a tax call for the US\$145 million outstanding amount in the 10.75% Guaranteed Secured Notes due 2011 for

### **PT Ciliandra Perkasa**

May 2010

**US\$134 million**

advice to

### **City Telecom (HK) Limited**

in its tender offers for its 8.75% Senior Secured Notes

July 2009

**US\$125 million**

advice to

### **City Telecom (HK) Ltd**

in the high-yield bond offering in Hong Kong, structured as a Rule 144A offering, followed by SEC registration

January 2005

**US\$125 million**

advice to

Deutsche Bank Trust Company Americas and DB Trustees (Hong Kong) Limited in the Regulation S offering of 11.0% Guaranteed Senior Secured Notes by

### **PT Davomas International Finance Company Pte. Ltd.**

and subsequent representation relating to noncompliance by the guarantor with various terms of the indenture

May 2006

**US\$88 million**

advice to

Deutsche Bank Trust Company Americas and DB Trustees (Hong Kong) Limited in the Regulation S offering of 11.0% Guaranteed Senior Secured Notes by

### **PT Davomas International Finance Company Pte. Ltd.**

and subsequent representation relating to noncompliance by the guarantor with various terms of the indenture

September 2007

**US\$40 million**

advice to

### **Altus Group Ltd**

in its Regulation S offering of 11.0% Senior Secured Notes and Warrants

March 2006

## **PT Bumi Resources. PT Bumi Resources' private placements of US\$675 million in Convertible Bonds—August and November 2009**

Jones Day advised PT Bumi Capital Pte. Ltd., a wholly owned subsidiary of PT Bumi Resources Tbk, Indonesia's largest coal-mining company, in connection with its issuance of US\$300 million of 12.0% Guaranteed Senior Notes due 2016 in a Regulation S offering. Credit Suisse (Singapore) Limited and Deutsche Bank AG acted as the joint lead managers and joint bookrunners in this transaction.

Jones Day also advised Enercoal Resources Pte. Ltd., another wholly owned subsidiary of PT Bumi Resources, in connection with its private placement of US\$375 million of five-year 9.25% Guaranteed Convertible Bonds due 2014 (the sole placement agent was Credit Suisse (Singapore) Limited). This was the first Indonesian equity-linked deal to include an embedded equity swap transaction.

Concurrent with the issuance and placement of the bonds, Enercoal entered into a highly structured and complex equity swap and capped-call transactions with an affiliate of Credit Suisse. The swap was a five-year cash-settled equity swap on a portion of the PT Bumi Resources shares underlying the bonds, and the capped call was a cash-settled call-spread transaction to effectively increase the conversion premium on the bonds. This marked the largest convertible bond plus call-spread issuance by an Asian issuer in 2009, as well as the first-ever call-spread overlay transaction to a convertible bond on Asia-listed shares.

## **ADDITIONAL INFORMATION**

For additional information regarding our high-yield debt capabilities in Asia, please contact your principal Firm representative or one of the lawyers listed in this publication. General email messages may be sent using our "Contact Us" form, which can be found at [www.jonesday.com](http://www.jonesday.com).

## **LAWYER CONTACTS**

---

### **HONG KONG**

852.2526.6895

Jeffrey Maddox

[jmaddox@jonesday.com](mailto:jmaddox@jonesday.com)

David Neville

[dneville@jonesday.com](mailto:dneville@jonesday.com)

### **SINGAPORE**

65.6538.3939

Joseph E. Bauerschmidt

[jbauerschmidt@jonesday.com](mailto:jbauerschmidt@jonesday.com)

Brian J. Wesol

[bwesol@jonesday.com](mailto:bwesol@jonesday.com)

## **JONES DAY GLOBAL LOCATIONS**

---

ATLANTA

BEIJING

BRUSSELS

CHICAGO

CLEVELAND

COLUMBUS

DALLAS

DUBAI

FRANKFURT

HONG KONG

HOUSTON

IRVINE

LONDON

LOS ANGELES

MADRID

MEXICO CITY

MILAN

MOSCOW

MUNICH

NEW DELHI

NEW YORK

PARIS

PITTSBURGH

SAN DIEGO

SAN FRANCISCO

SHANGHAI

SILICON VALLEY

SINGAPORE

SYDNEY

TAIPEI

TOKYO

WASHINGTON