

INTRODUCTION

Japan is a slender archipelago of around 6,800 volcanic islands tucked away in a strong strategic location in northeast Asia.

Steeped in culture and mythology, Japan rapidly absorbed Western technology during the late 19th and early 20th centuries. After its defeat in World War II, a new constitution went into effect in 1947 under which the emperor lost all political and military power. Universal suffrage was introduced, human rights were guaranteed and Japan was forbidden to ever lead a war again or to maintain an army. Following this, the country made a remarkable recovery, transforming itself into a global economic power and a staunch ally of the US.

Today Japan is a constitutional monarchy with a parliamentary government and is home to over 127 million people. Unlike most other Asian nations, Japan is not made up of a melting pot of ethnic groups. An overwhelming 99 percent of the population is Japanese with the remaining 1 percent comprising Koreans, Chinese, Brazilians and Filipinos. Similarly, Japanese is the only spoken language of any significance. Approximately 84 percent of the population practice both Shinto and Buddhist religions.

Economic overview

Government-industry cooperation, a strong work ethic, mastery of high technology and a comparatively small defence allocation helped Japan advance with extraordinary rapidity

- Japan has climbed 2 places to 22 on the World Competitiveness Scorecard 2008
- Despite being the world's 5th largest economy, Japanese people only enjoy the 22nd highest GDP per capita
- Only 2-3 percent of applicants pass the Japanese bar examination each year

to the rank of third largest economy in the world after the US and China, measured on a purchasing power parity basis. Japan is the second largest economy when measured on an exchange rate basis.

Japan's industrial sector is heavily dependent on imported raw materials and fuels. The tiny agricultural sector is highly subsidized and protected, with crop yields among the highest in the world. Usually self sufficient in rice, Japan must import about 50 percent of its requirements of other grain and fodder crops. Japan maintains one of the world's largest fishing fleets and accounts for nearly 15 percent of the global catch. For three decades, overall real economic growth had been spectacular: a 10 percent average in the 1960s, a 5 percent average in the 1970s, and a 4 percent average in the 1980s.

Growth slowed markedly in the 1990s, averaging just 1.7 percent, largely because of the after effects of over-investment during the late 1980s and contractionary domestic policies intended to wring speculative excesses from the stock and real estate markets and to force a restructuring of the economy. From 2000 to 2003, government efforts to revive economic growth met with little success and were further hampered by the slowing of the US, European, and Asian economies. In 2004-06, growth improved and the lingering fears of deflation in prices and economic activity lessened.

Given the economy's vulnerability to weak domestic demand and rising oil and commodity prices, the impact of the current global financial crisis is likely to be significant in the island nation. Forecasts predict Japan's economic outlook in the coming years as weak, with GDP estimated to grow by just 1 percent in 2008 and 1.2 percent in 2009.

Bureaucracy and corruption

Japan ranks 18th in the Transparency International Corruption Perceptions Index 2008, down one place from the previous year, and is also a signatory of the ADB-OECD

Anti-Corruption Initiative. The country has enacted legislation such as the Unfair Competition Prevention Law in order to improve transparency in Japan. That said, Japanese bureaucracy is famous for making life complicated, especially in business.

Legal system

The Japanese legal system was modelled after European civil law system with an English-American influence. Judicial power is vested in the Supreme Court and four other types of courts, namely High Courts under the Supreme Court, District Courts and Family Courts under the High Courts, and Summary Courts at the bottom of the ladder. The respective courts have their own jurisdiction as provided for in the Court Organization Law.

Bar associations

Japan has two national bar associations, namely the Japan Bar Association and the Japan Federation of Bar Associations. There are also many additional local bar associations scattered around the country and lawyers are required to be members of the local association in the area where their offices are located. All lawyers must pass the famously difficult national bar examination called shiho shiken and complete an 18-month apprenticeship at the Legal Training and Research Institute of the Supreme Court before they can practice. Japan does not have any law schools awarding professional degrees as in the United States. **PBP**

PRACTITIONERS' TIPS

In-house counsel

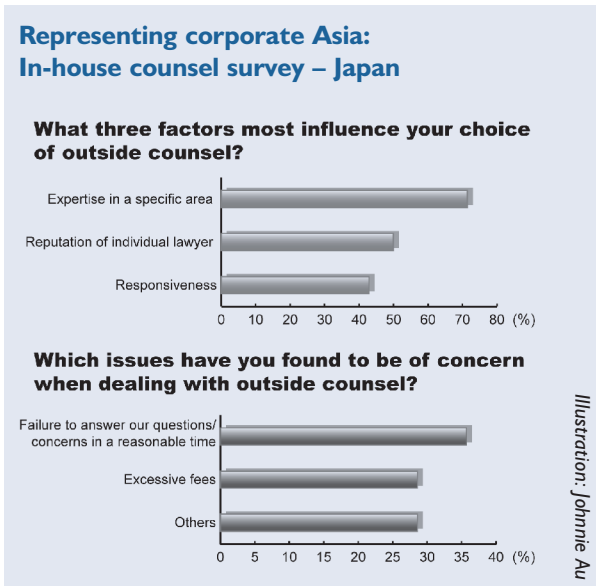
The Japanese bar exam is notoriously difficult, and with a pass rate of only two to three percent each year, that leaves a vast number of trained lawyers on the market who are unable to practice in a private firm. As such, these lawyers tend to join the in-house departments of some of Japan's major corporations. In addition, corporations are increasingly seeing the value of the in-house department not just as paper pushers but as a strategic partner, and the community is ever increasing in size. External firms are hired for a wide variety of activities including finance, capital markets, M&A, dispute resolution and intellectual property. Japan has one of the most sophisticated financial markets in the world, and innovative issues and financings are common.

External selection

Many foreign lawyers (gaiben) have established highly successful joint ventures with Japanese bengoshi or have formed strategic alliances with strong local firms. Many domestic firms have merged in an attempt to gain in strength, and it has led to a fiercely competitive legal market. A large proportion of corporations use panels in selecting outside counsel, and secondments are increasingly common.

Billing arrangements and discounts

Billing rates in Japan are on a par with other global financial centres, and that's just the domestic firms. International firms are even more expensive. While discounts can be negotiated, they are few and far between. Expect to pay by the hour.



Billing rates per hour

Local firm associate	US\$300-400
Local firm partner	US\$500-600
International firm associate	US\$450-650
International firm partner	US\$700-1000



COUNTRY FILE

Banking and finance

Allen & Overy Gaikokuho Kyodo Jigyo Horitsu Jimusho's banking and finance team is led by managing partner Aled Davies, while Adam Moncrieff is a key partner in the group. The department has been appointed to act on an increasing number of infrastructure projects in the Middle East, including: advising JBIC as lenders to the Mesaieed IPP Qatar, in relation to a Qatari power project; and representing Mitsui & Co on the RasLaffan C power and water project in Qatar, the largest IWPP in the Middle East to date. The team is also advising Mitsui & Co, Korean Gas Corp and Samsung Corp on the development on an LNG receiving terminal in Mexico.

A.C. Ashurst was named *Asian-Counsel's* 'Firm of the Year' for Securities & Finance in Japan, 2008.

In the last eighteen months **Atsumi & Partners** has advised banks and securities institutions on the regulations under the Financial Instruments and Exchange Law, the Banking Law, the Trust Law and other acts. Leading experts in this area include Hiroo Atsumi and Bonnie Dixon.

Clifford Chance's banking and finance group advises leading multinational financial institutions across Asia. In Japan this year, the team advised on many significant deals and a diverse range of project, acquisition and asset financings. These included the largest syndicated loan in Japan to date for Sapansion and Permira's first acquisition in Japan.

Baker & McKenzie GJB Tokyo Aoyama Aoki Koma Law Office's global practice includes more than 500 lawyers experienced in local and international banking and finance laws, regulations and customs. The addition of partners Masato Yamanaka and Gavin Raftery in 2007 further bolstered the reputation of the practice group. Key clients in the past year include JGC Corp, the Ministry of Land, Infrastructure and Transport, and Mitsubishi UFJ Lease and Finance Co.

Currently led by Eugene Gregor and Theodore Paradise, **Davis Polk & Wardwell** has one of the world's premier financial institutions practices with over 150 years of experience. Notable clients in the past 12 months have included Aozora, for whom the firm provided general advice on financing and credit matters and Orix, who the firm advised on a US\$790 million revolving credit facility.

The banking and finance team at **Freshfields Bruckhaus Deringer** advised the purchasers (sponsor Advantage Partners) of the Tokyo Star Bank, Ltd on the debt arrangements for the ¥270 billion (US\$2.5 billion) acquisition, and Deutsche Bank on loans to Japanese corporates.

John Roebuck leads the banking and finance practice team at the **Jones Day** Tokyo office. Significant deals in which the

ASIAN-COUNSEL Japan Firms of the Year 2008*

ANTI-TRUST

Nagashima Ohno & Tsunematsu

COMMERCIAL TRANSACTIONS

Atsumi & Partners

EMPLOYMENT

White & Case

ENVIRONMENTAL

Nagashima Ohno & Tsunematsu

INTELLECTUAL PROPERTY

TMI Associates

LITIGATION

Nagashima Ohno & Tsunematsu

MERGERS & ACQUISITIONS

Nagashima Ohno & Tsunematsu

REAL ESTATE

Nagashima Ohno & Tsunematsu

REGULATORY/COMPLIANCE

Anderson Mori & Tomostune

RESTRUCTURING

Nishimura & Asahi

SECURITIES/FINANCE

Ashurst

TAX

White & Case

TELECOMMUNICATIONS, MEDIA & TECHNOLOGY

Nagashima Ohno & Tsunematsu

* Selected by in-house counsel in this jurisdiction as their preferred external option. Not based on market activity.

firm's lawyers have been involved include: Tadakatsu Sano and Hirokazu Ina advising GIC as a lender in the acquisition financing of 13 Japanese ANA hotel properties in a deal valued at ¥225 billion (US\$2.25 billion); and Hirokazu Ina advising GE Capital Leasing as lessor and borrower on equipment lease to Elpida and non-recourse financing from various banks backed by lease receivables, a total deal value ¥35 billion (US\$350 million).

Latham & Watkins has maintained its strong presence in Japan and continued to be at the forefront of aircraft finance

transactions in 2007. The firm's aircraft finance team has advised parties on several award-winning deals and innovative transactions including its representation of the Japanese lessors/borrower in Japanese Operating Lease (JOL) transactions financed by British Airways' US\$1.7 billion multi-currency debt facility. It was one of British Airways' largest financing facilities in the past 10 years. The team also represented West LB AG's Tokyo branch in May 2007 for Finnair's first-ever JOL financing on an Embraer E-Jet-series aircraft.

Widely regarded as one of the leading capital markets lawyers in Japan, finance partner Philip Hyde joined **Lovells** Tokyo office in 2008. His experience is primarily in advising leading investment banks on a wide variety of debt capital markets transactions, structured securities issues, derivatives and securitisation.

Mori Hamada & Matsumoto advises on all types of financing transactions from relatively straightforward bank loans and equity offerings to complex structured transactions. In 2007, key partners Toru Ishiguro, Ayako Ikeda, Satoko Kuwabara and Takahiro Kobayashi acted for key clients such as Mizuho Corporate Bank, Sumitomo Mitsui Banking Corp, and the Bank of Tokyo-Mitsubishi UFJ Ltd. The team also acted for Nomura Capital Investment Co Ltd in the management buy out transaction by management of Sunstar, and for The Longreach Group in the MBO of Cybird Holdings with the value of ¥17 billion.

Morrison & Foerster LLP banking and finance practice in Tokyo is led by Dale Caldwell, who recently represented Mizuho Corporate Bank Ltd as arranger, agent and lender in connection with a US\$200 million syndicated financing. The team also represented Shinsei Bank, one of the mandated lead arrangers in the acquisition financing of Tokyo Star Bank by Advantage Partners. The financing on that transaction consisted of numerous facilities, totalling approximately ¥170 billion. Other key partners include Gary Smith and Ryugo Yoshimura.

Headed by partners Masaru Ono, Katsu Sengoku and Masahiro Ueno, **Nishimura & Asahi's** clients include: Mori Building Co Ltd, MHSC, MHC, Itochu Corp, and Sumitomo Trust & Banking Co Ltd. The firm advised on several important deals in 2007, including representing Samsung Investment Trust Management Co Ltd, the Korean asset management firm, for listing its KODEX200 ETF on the Tokyo Stock Exchange. This was the first direct listing of a foreign exchange-traded fund ever made in Japan. The firm also advised Advantage Partners on the acquisition of a bank listed on the Tokyo Stock Exchange through a tender offer bid process.

O'Melveny & Myers Gaikokuho Kyodojigyo Horitsu-jimusho represented a leading global investment bank and

its subsidiaries in numerous financing transactions regarding purchase of real estate property in Tokyo and other areas of Japan. The firm also advised Japanese and international funds and financial institutions in similar finance transactions.

Ropes & Gray regularly represents clients in all types of financing techniques employed in the public finance markets, including credit enhancement, synthetic debt, hedge contracts, investment contracts, and commercial paper programs. In 2007, the firm represented Bain Capital in connection with its \$450 million tender offer for Sun Telephone in which it partnered with Japanese private equity firm Japan Industrial Partners. Thomas Draper acts as department head of the practice area, and receives assistance from key partners Alison Bomberg, Byung Choi, Winthrop Minot and Sunil Savkar.

Skadden Arps Slate Meagher & Flom has had an exceptional year in its developing investment finance and real estate group. The team in Japan includes key partners Paul J Huff, Nobuhisa Ishizuka, Masahiro Shiga and Audrey Sokoloff. Among the notable transactions the firm has been involved in over the past 12 months, they advised a special purpose company formed by Morgan Stanley Japan Ltd for the purpose of acquiring Sapporo Holdings Ltd and its subsidiary Yebisu Garden Place Co Ltd. They also acted for the second largest distribution port in Japan in a construction financing valued at over US\$200 million. Colony Capital Asia and Shinsei Bank are two additional clients of note.

Shearman & Sterling's highlights from their Japan banking and finance practice this year include acting for JBIC as commercial lenders to Sembcorp Utilities on a potential bid for the Fujairah II IWPP in the UAE; advising Mitsubishi as sponsor in a bid for the financing leasing of Komatsu trucks for a mine in Chile; and advising Petronas on a framework agreement for the supply of gas turbines by Rolls Royce under an umbrella framework agreement. The firm has excellent relationships with many of the leading Japanese banks including JBIC and SMBC.


Sidley Austin Nishikawa's banking and financial transactions practices represent a wide range of clients in the banking, finance, and securitisation industries, including lenders, borrowers, purchasers, originators and conduits involved in a variety of loan and securitisation transactions involving numerous structures.

Simmons & Simmons has a leading banking and finance practice, led by finance partner Philip Hyde, which has continued to advise major international investment banks and leading Japanese companies over the past 12 months.

Squire Sanders Gaikokuho Kyodo Jigyo Horitsu Jimusho represents a worldwide client base. In the previous 12 months, key counsel Hidetoshi Asakura and Munehiro

Matsumoto assisted a major bank with a real estate liquidation project in which the bank provides funding to a special purpose company for its purchase of five properties including office and residential buildings in the Nagoya area and advised a banking and financial services industry client regarding the Financial Instruments and Exchange Law of Japan, including refining internal corporate compliance systems and revising internal regulations and manuals to comply with new FIEL requirements.

Sullivan & Cromwell's banking practice in the Japanese market includes advising a number of prominent banks on capital markets, M&As and regulatory issues. The firm's work, handled by the Tokyo office and led by partners Izumi Akai and Stanley Farrar, includes the global IPO of Seven Bank and the US\$2.96 billion global IPO of Sony Financial, as well as M&A transactions involving Advantage Partners – Tokyo Star Bank, Mitsubishi UFJ Securities – Kim Eng Holdings Ltd, Promise Co Ltd – Sanyo Shinpan Finance Co Ltd, and STV Partners – SANYO Electric Credit Co Ltd (investment), and offerings by Development Bank of Japan, Japan Finance Corp for Municipal Enterprises and Japan Bank for International Cooperation.

 **White & Case's** asset finance, project and export finance continue to be one of their central focuses, property-related financing has become a major player over the recent years, and the team also provides extensive regulatory expertise which is highly appreciated by foreign banks in Tokyo. The group further expanded and enhanced the strength and breadth of firm practice with the addition of Mark Goodrich during the year. *The firm was named Asian-Counsel's 'Firm of the Year' for Tax in Japan, 2008.*

Anderson Mori & Tomotsune, Linklaters, Milbank, Tweed, Hadley & McCloy LLP and **Nagashima Ohno & Tsunematsu** are also recommended in this area.

Capital markets

Allen & Overy Gaikokuho Kyodo Jigyo Horitsu Jimusho's capital markets practice includes both debt and equity and securitisation matters. Group head Piyasena Perera leads a team of talented partners including Norifusa Hashimoto and Jason Humphreys. They recently acted as arranger for Morgan Stanley on the issue by JLOC 36, LLC of a Rule 144A/Regulation S offering of ¥67.5 billion CMBS notes, and advised Credit Suisse on UK and US law regarding the Rule 144A/Regulation S offering of ¥125.8 billion commercial mortgage backed floating notes by Titan Japan Series 1 GK. Other notable clients include Lehman Brothers, Barclays Capital and Olympus Capital Holdings.

Atsumi & Partners has a proven track record in capital markets matters, advising clients on many innovative and

award-winning transactions. The firm is regularly called upon to advise on primary markets, including IPOs, equity financing, domestic bonds, samurai bonds, Euro-yen bonds, private placements, medium term notes and foreign stock market listings. In a notable transaction in 2007, the firm represented a domestic fund manager in connection with the investment in investment corporations (issuance of CMBS). The value of the transaction was approximately ¥7.5 billion.

Baker & McKenzie GJB Tokyo Aoyama Aoki Koma Law Office capitalised on its strong capital markets reputation in 2007, representing notable clients such as BNP Paribas on a ¥10 billion equity finance deal by United Technology Inc; Nikko Citigroup Ltd, Nomura Securities Co Ltd and UBS Securities Japan Ltd as joint-lead managers in the IPO of Westpac Banking Corp Japanese yen bonds and floating rate bonds; and Daiwa Securities MBC Co Ltd, Nikko Citigroup Ltd, and Nomura Securities Co Ltd as joint-lead managers in the IPO of the National Australia Bank Ltd Japanese yen bonds and floating rate bonds.

Headed by Peter Kilner, **Clifford Chance's** capital markets group covers a wide range of products and markets, including repackaging securitisation, synthetics (including synthetic CDOs), real estate acquisitions, disposals, finance and servicing, debt capital markets, equity capital markets (privately placed convertible bonds and equity linked notes), and regulatory work as well as some acquisition finance, structured finance and debt trading work.

Davis Polk & Wardwell acts as counsel for many leading investment banks and a broad spectrum of US and non-US issuers. In 2007, the firm was active in the Visa Inc IPO, the largest public offering in US history and the first simultaneous registered public offering of shares in Japan and the United States. The firm advised both the joint bookrunners and representatives of the underwriters and Nikko Citigroup as coordinator for the simultaneous public offering without listing in Japan. The transaction included simultaneous registered public offerings in the United States, Canada and Japan and private placements in more than 50 jurisdictions around the world.

Among other work, **Freshfields Bruckhaus Deringer's** capital markets team advised Deutsche Bank as lead arranger of the issue of ¥20 billion step-up convertible bonds due 2017 of the Bank of Iwate Ltd., listed in Singapore, and Barclays Bank PLC on the issue of ¥50 billion second series Samurai Bonds and ¥90 billion first series floating rate Samurai Bonds of Barclays Bank PLC arranged by Mizuho Corporate Bank and Barclays Capital.

With a team of 8 partners and over 45 Japanese, UK and US associates in Tokyo, **Linklaters'** award winning

Asia capital markets team is highly regarded for its equity, equity-linked, high yield debt, structured finance (including securitisation) and derivatives work.

Lovells' Finance partner Philip Hyde joined the firm's Tokyo office in September 2008. Hyde is widely regarded as one of the leading capital markets lawyers in Japan. His experience is primarily in advising leading investment banks on a wide variety of debt capital markets transactions, structured securities issues, derivatives and securitisations.

Milbank, Tweed, Hadley & McCloy LLP's Tokyo-based capital market's team is led by partner Darrel Holstein and counsel Bradley Edmister, among the most experienced US-trained capital markets lawyers active in Japan today. Holstein and Edmister are both fluent in spoken and written Japanese and together have nearly 25 years of experience in cross-border capital markets deals into and from Japan. Highlights of the firm's Asian work include: regular representation of NYSE-listed NTT and NIS Group in connection with their NYSE and SEC compliance matters; Asia and Japan's biggest ever IPO for NTT DoCoMo; continued representation of NTT in all its US securities transactions; representation of NMAC, the US finance subsidiary of Nissan Motors in connection with two 144A/Reg S offerings of debt securities; and NIS Group in a global offering of US dollar denominated debt securities.

As a leading firm in the Japanese capital markets practice area, **Mori Hamada & Matsumoto** advises both issuers and underwriters, domestic and international, in some of the largest and most complex securities offerings. In 2007, the firm acted as counsel to the issuer in the high-profile IPO of Asia Media Co Ltd. This widely reported transaction was the first ever listing of a company of which the main business is conducted by the PRC subsidiaries on any of the Japanese stock exchanges. The practice group is headed by Toru Ishiguro.

Morrison & Foerster LLP's Fuyuo Mitomi heads the firm's Tokyo capital markets group. Key partners in this group include Tony Grundy, Saori Nakamura and Andrew Winden, who represent notable clients such as UBS Securities, Mitsubishi UFJ Securities and Nomura Securities. Nakamura recently assisted in Chuo Mitsui Trust Holdings' ¥103.5 billion global offering, while Winden assisted in Royal Bank of Canada's ¥146.3 billion public offering.

The recent creation of a cross-border transactions group at **Nishimura & Asahi** allows the firm to assist clients to an even greater extent with regards to international and US capital markets transactions. Headed by partners Mitsuhiro Yasuda and Hideki Ebata, the firm acted for Mori Building Co Ltd in their first offering of preferred stock, an issue amount in excess of ¥100 billion. The team also assisted

with the issuance of zero coupon bonds with stock acquisition rights by S-Grant Co Ltd, listed on the Nagoya Stock Exchange and valued at ¥2.5 billion.

Orrick, Herrington & Sutcliffe LLP's capital markets practice in Tokyo is a broad-based practice ranging from advising on the first non-recourse lending/securitisation programs for many of the global investment banks in Japan to completing the largest single developed property financing and acquisition (US\$1.2 billion) in Japan at the time. Recognised specialists partner Eugene Chang and counsel Madoka Hashimoto focus on structured finance and partner Shintaro Kuroda on IPOs. Other transactions have included representing a US-based global investment bank on the origination of a debt package to finance the construction of one of the tallest buildings in Tokyo, a Tokyo-based global investment bank on the origination of a significant bond financing for the acquisition of one of the Tokyo Disneyland hotels, and a syndicate of Korean and European banks in the US\$779 million pre- and post-delivery financings of LNG tankers.

Led by capital markets partner Masahisa Ikeda, **Shearman & Sterling's** capital markets practice in Japan advises on complex and sophisticated transactions. The firm advised the underwriters, Morgan Stanley & Co International plc and Citigroup Global Markets Inc, as US counsel in the US\$505 million SEC registered secondary offering of American depository shares of Ctrip.com International Ltd, a leading internet based travel service in China and starting with the representation of Toyota Motor Corp on their NYSE listing in 1999, the firm has represented Toyota on all of their capital markets work, including SEC filing and Sarbanes-Oxley compliance and subsequent offerings. In addition to Toyota the group provides advisory capital markets work for leading Japanese blue-chip companies such as Advantest, Japan Railway, Pioneer, Kirin, Kyocera, Olympus, Makita and Trend Micro.

Sidley Austin Nishikawa has represented many participants in the private equity arena including private equity firms, corporate venture capital arms, start-up entities and entrepreneurs, special committees of boards of directors, providers of mezzanine financing, senior lenders, issuers and underwriters in IPOs, and issues and underwriters for high-yield debt. Some of the cases Tomoo Nishikawa recently worked on involved the Highway Authority, Narita International Airport, and Japan Post. Nishikawa continues to act as the outside general counsel to both domestic and international businesses to provide strategic advice on IPOs.

Simpson Thacher & Bartlett recently represented Sony Financial Holdings Inc in connection with its IPO on the Tokyo Stock Exchange and global offering to institutional investors pursuant to Rule 144A and Regulation S, raising

more than US\$3 billion, making it the largest IPO in Japan in 2007. The firm also represented Seven Bank Ltd in connection with its IPO on the JASDAQ Securities Exchange and global offering to institutional investors pursuant to Rule 144A and Regulation S.

Skadden Arps Slate Meagher & Flom's key capital markets partners include Paul J Huff, Nobuhisa Ishizuka, Masahiro Shiga and Audrey Sokoloff. The team recently acted for China Fundamental Acquisition Corp as issuer in a US\$34 million IPO led by Chardan Capital Markets LLC and Maxim Group LLC.

Squire Sanders Gaikokuho Kyodo Jigyo Horitsu Jimusho represents a wide range of clients in all aspects of capital markets activity. Key partners Masami Totani and Kenichiro Kawada acted in several high-profile capital market transactions in the previous year, including representing the management side in an MBO of a Japanese prescription pharmacy chain (JASDAQ listed) involving a successful TOB, a total deal value of approximately US\$300 million.

Sullivan & Cromwell, led by key players Izumi Akai and Stanley Farrar, has advised on many of the most significant capital markets' transactions by prominent Japanese entities. Recent work includes the US\$502 million global IPO of Seven Bank, the US\$2.96 billion global IPO of Sony Financial and the US\$263 million IPO of Universal Studios Japan, as well as the follow-on global equity offering by Kenedix Realty Investment Corp, Regulation S equity offering by re-plus residential investment and SEC-registered offerings aggregating US\$4.6 billion by Development Bank of Japan, Japan Finance Corp for Municipal Enterprises and Japan Bank for International Cooperation.

White & Case has an active capital markets and structured finance practice in Tokyo. This year, in addition to advising Visa on the largest offering in US history and its public offering in Japan, there were an increasing number of real estate related transactions. Leading individuals in this practice are Christopher P Wells, Eric Roose, Koichiro Ohashi, Thomas LaMacchia, and Steven Wheeler.

Anderson Mori & Tomotsune, Latham & Watkins, Nagashima Ohno & Tsunematsu and **Simmons & Simmons** are also active in this area.

Corporate and M&A

Allen & Overy Gaikokuho Kyodo Jigyo Horitsu Jimusho's Nobuo Nakata leads the corporate team. Among the volume of transactions the firm has worked on in the previous 12 months, client GE Commercial Finance was advised on its US\$1.1 billion tender offer to acquire Sanyo Electric Credit, one of the first to be carried out under the new tender offer rules in Japan.

The firm also advised Fortis Investments Japan Holding Co Ltd in its €32 million acquisition of 100 percent of the shares of Commerz International Capital Management (Japan) Ltd. Key partners on the corporate team include: Osamu Ito, Stephen Mathews, Chris Swift and Hidehiro Utsumi.

AC **Anderson Mori & Tomostune** was named *Asian-Counsel's* 'Firm of the Year' for Regulatory & Compliance in Japan, 2008.

Providing a wide range of legal services to domestic and international corporations **Atsumi & Partners** corporate and M&A practice highlights of 2007 include representation of a foreign corporation in the transfer of business through their corporate division in a deal value of ¥3 billion, and the composition of a contractual relationship and creation of the contractual documents for the Environmental Ministry's voluntary emissions trading scheme (known internationally as 'JVETS'). This was Japan's first cap and trade emissions trading structure, and developed Japan's first structure to use bank services to settle such transactions.

Baker & McKenzie GJB Tokyo Aoyama Aoki Koma Law Office's corporate/M&A practice comprises about 50 lawyers and has substantial experience coordinating, structuring, documenting, and implementing all types of transactions. In addition to the arrival of four new partners in the group in the past year, the firm has recently formed an antitrust practice group to add to the strength of the team, bringing the total number of specialised practice groups in the office to eight. Key clients include Motorola Inc, Laox Co Ltd and ITO EN Co Ltd.

2007 marked the 20th anniversary of **Clifford Chance** in Tokyo. Regarded as one of the top international law firms in Tokyo, with over 60 qualified lawyers including over 30 *ben-goshi* (Japanese lawyers), they have significant experience in a full range of cross-border and local M&A, joint venture and private equity transactions. Recently, the team advised Permira on its acquisition of Arysta LifeScience Corp, the company's first investment in Japan, and the largest secondary buyout ever in the country. The team also advises on fund formation and investment and provide comprehensive advice on the Financial Exchange Act's requirements on reformation and licensing.

Over the last twelve months, **Davis Polk & Wardwell** has worked on a significant proportion of the important cross-border capital markets, banking and finance, dispute resolution and M&A transactions in Japan. In 2007, the firm advised Nikko Cordial in connection with a share exchange transaction with Citigroup pursuant to which Citigroup acquired all of the remaining minority shares of Nikko Cordial. The acquisition was the first-ever use of a triangular merger structure by a foreign firm, and had a value of

approximately US\$4.6 billion. Eugene Gregor and Theodore Paradise head the practice group.

Worldwide firm, **DLA Piper**'s work in the Japanese market in 2007 included representing the Mitsubishi Chemical Corp in the dissolution of its South African joint venture with Sasol Ltd for the production of acrylic acid and acrylates and advising Moody's on the spin-off of its new Japanese business entity and the reorganisation of its corporate structure in Japan. Key partners in the group include Lance J Miller, Chong Chin Hui, Larry Carter and Hajime Iwaki.

Led by James Wood, **Freshfields Bruckhaus Deringer**'s corporate and M&A group advised Arysta LifeScience Corp and its shareholders, on the sale of Arysta to IEIL Japan Co Ltd., a vehicle ultimately controlled by Permira for ¥250 billion (US\$2.0 billion). The firm also advised HMV Group plc on the auction sale of HMV Japan, Robert Bosch GmbH on its TOB for its Japanese subsidiary, and D&M Holdings, Inc. on its recently announced transaction with Bain.

Nobutoshi Yamanouchi leads the M&A practice group at the **Jones Day** Tokyo office. Representative transactions in 2007 for the firm include representing a major US private equity company in the creation of a joint venture with a major Japanese trading company to form an IT consulting services company in Japan, representing a major Japanese trading company in the purchase of a chemical manufacturer in the US and representing a major Japanese electronics manufacturer in the sale of its equity interest in a joint venture to its joint venture partner in the US.

The Tokyo office of **Latham & Watkins** has continued to advise clients active in complex cross-border deals. In 2007, the attorneys in the Tokyo office represented Yahoo! Inc in the sale of its internet search marketing subsidiary to Yahoo Japan Corp; advised Liberty Global Inc in Jupiter TV Co Ltd's spin-off and merger with Jupiter Telecommunications Co; acted for Eurotech SpA in its acquisition of Advanet; and worked on the acquisition by ABeam Consulting Ltd of Catalyst Development Ltd.

Linklaters' specialist M&A team in Tokyo continue to be well regarded for their work in public and private M&A, joint ventures, and private equity. The firm advise private equity houses, principal and strategic investors, multi-national and Japanese corporations and investment banks on domestic, inward and outward share and business purchases, as well as joint ventures and other cross-border corporate transactions.

In late summer in 2008 **Lovells** welcomed corporate partner Rika Beppu. Beppu has over 14 years' experience advising on corporate transactions, including public M&As, joint ventures and private equity transactions. Recognised as a leading lawyer by the main legal directories, Beppu advises

both international and Japanese corporations and investment banks on their largest transactions.

Milbank, Tweed, Hadley & McCloy LLP's Tokyo-based corporate practice team is led by partner Darrel Holstein, who has specialised in cross-border M&A deals into and from Japan for more than 15 years. Other senior team members include Bradley Edmister, who advises on capital markets and cross-border M&A transactions, and Mark Plenderleith, who leads the acquisition leveraged finance practice in Japan. Significant recent deals include TPG's US\$288 million PIPE investment in NIS Group; assisting Aprica Childcare Institute Aprica Kassai Inc, one of Japan's leading juvenile products companies, in the sale of substantially all of its assets to Newell Rubbermaid Inc; Olympus Capital Holdings Asia in its sale of Arysta LifeScience Corp, a major agrochemicals company in Japan; Maruha Nichiro in its acquisition of a Malaysian fisheries company engaged in both farming and processing; and Mitsubishi Corp as to US law issues relating to its tender offer for a controlling interest of Kentucky Fried Chicken Japan.

Morgan Lewis-TMI represented Mitsubishi UFJ Trust Bank Corp as the transfer agent in the acquisition of Nikko Cordial by Citigroup, the first triangular merger in Japan. It also represented Och-Ziff Capital Management in the sale of Arysta LifeScience Corp to Permira Capital, Japan's largest private equity transaction in 2007.

Mori Hamada & Matsumoto's corporate practice offers a full range of services for corporate clients doing business in Japan. Key partners in the practice group include Gaku Ishiwata, Harumichi Uchida and Masataka Yone. Notable clients in the previous year include Volvo, the Swedish automotive group, whom the firm represented in their public offer to acquire the 81 percent of outstanding share capital it does not own of Nissan Diesel Motor Co Ltd. This was the first large transaction in which a non-Japanese company squeezed-out minority shareholders of a major listed company by using callable shares.

AC Nagashima Ohno & Tsunematsu was named *Asian-Counsel's* 'Firm of the Year' for M&A and for Anti-trust in Japan, 2008.

Morrison & Foerster LLP's Tokyo office has been rated number one in terms of volume of Japan-related deals for the past two years running. Ken Siegel heads the busy team, with additional expertise coming from key partners Randy Laxer, David Litt, Jay Ponazecki, Fuyuo Mitomi, Stanley Yukevich, Gary Smith and Yukako Wagatsuma. Siegel and Laxer are currently assisting in representing Ricoh in its proposed acquisition of IKON Office Solutions for US\$1.6 billion. The team has also represented Kenwood Corp and Victor Co of Japan Ltd in



international antitrust and securities aspects of their proposed integration under a new joint holding company.

Headed by partners Takashi Ejiri, Koichi Kusano and Masakazu Iwakura, the corporate and M&A group at **Nishimura & Asahi** enjoys a strong reputation. Notable clients in the past 12 months have included Seven & i Holdings Co Ltd, Isetan Co Ltd Inc, Toshiba Corp, and the Carlyle Group. The team recently acted in the acquisition of Nikko Cordial Corp by Citigroup Inc. In this transaction, Citigroup acquired all the Nikko shares through a triangular share exchange transaction recently permitted under the new Japanese Company Law in which Nikko shareholders received Citigroup shares. The total transaction value, including the tender offer, was approximately ¥1.6 trillion.

O'Melveny & Myers Gaikokuho Kyodojigyo Horit-sujimusho represented Promise Co Ltd in its acquisition of Sanyo Shinpan through a tender offer in July 2007. The total transaction amount was ¥120 billion. Firm partners Dale Araki, Naosuke Fujita, Yoji Maeda and Noriko Sakai also represented a US fund, international financial institutions and Japanese manufacturers in various M&A transactions.

Orrick, Herrington & Sutcliffe LLP's corporate/M&A practice is led by Mark Weeks, the managing partner of the Tokyo office. The practice includes a unique Franco-Japan capability, led by partner Laurent Develle, and a Russia Far East practice, led by partner Sergey Milanov, currently the only Gaikokuho Jimu Bengoshi for Russian law in Japan. In 2007, the office represented a Tokyo-based global financial services company in its US\$1.2 billion acquisition of a New York-based global agency broker, a US subsidiary of a Japan-based global gas utility in the US\$150 million acquisition of nine independent power project assets, and a Japanese trading firm in the sale of its equity stake in the world's largest privately held agrochemical company.

2007 was another strong year for **Paul, Hastings, Janofsky & Walker's** corporate/M&A team which was strengthened with the arrival of partners Etsuo Doi and Joseph Kim as well as the promotion of Arata Nomoto to partner. The team advises on a broad range of complex corporate/M&A transactions involving private equity, leveraged finance and M&A. Over the last year the firm has been involved in some of the most innovative transactions in the region including advising on the TEPCO-Marubeni deal which was awarded a deal of the year by Asian-Counsel. A significant amount of the firm's M&A practice is for private equity funds.

In the past 18 months **Paul, Weiss, Rifkind, Wharton & Garrison's** has strengthened its market presence by advising on notable transactions such as the Citigroup Inc successful tender offer for Nikko Cordial Corp, for approximately US\$9

billion, representing Citizen Watch Co Ltd in connection with its acquisition of Bulova Corp, and Polo Ralph Lauren Corp in its agreement to acquire shares of its sub-licensee Impact 21 Co and the remaining 50 percent interest in its Japanese Master Licensee, Polo Ralph Lauren Japan.

Ropes & Gray handle all types of merger and acquisition transactions, including public and private company transactions, acquisitions, and dispositions of subsidiaries and divisions as well as acquisition and dispositions through bankruptcy proceedings. Department head Ivor Cary Armistead leads the group's representation of notable clients such as Silver Lake Partners, where the firm advised in the company's sale of Instinet LLC to Nomura Holdings Inc.

Shearman & Sterling continued to develop its M&A practice in Tokyo with the election of Ken Lebrun to the partnership and the promotion of Etienne Gelencser to counsel in early 2007. Headline work includes advising Mizuho Corporate Bank in its investment in Merrill Lynch & Co; advising Fujifilm Holdings in its acquisition of Toyama, a pharmaceutical company; representing the Longreach group in its acquisition of EnTie, a Taiwanese bank; representing International Petroleum Investment Co in its acquisition of an interest in Cosmo Oil Co Ltd; and representing Kirin Holdings Co in its approximately ¥300 billion tender offer for Kyowa Hakko Kogyo Co Ltd.

Under Tomoo Nishikawa, **Sidley Austin Nishikawa** has represented Japanese and foreign companies on their business alliances with Japanese and foreign companies.

Led by managing partner David Sneider, **Simpson Thacher & Bartlett** recently represented a consortium including affiliates of JC Flowers & Co in the US\$1.85 billion acquisition of 28 percent of Shinsei through tender offer and new share subscription; Cerberus NCB Acquisition, LP in its successful tender offer for 8 percent of Aozora Bank shares for ¥43 billion; and Mitsubishi Heavy Industries Ltd in the sale of 25 percent interest in Shin Caterpillar Mitsubishi for ¥50 billion, resulting in increase in Caterpillar's interest to 67 percent.

Skadden Arps Slate Meagher & Flom has been engaged in a wide variety of public and private M&As involving Japanese entities in Japan, elsewhere in Asia and in the US. Nobuhisa Ishizuka and Mitsuhiro Kamiya are key partners in the practice group. The firm recently advised Goldman Sachs & Co in relation to its role as financial advisor to Millennium Pharmaceuticals Inc in its approximately US\$8.8 billion acquisition via tender offer by Takeda Pharmaceutical Co Ltd. They also acted for the Special Committee of Union-BanCal Corp for the remaining shares they did not own in Mitsubishi UFJ Financial Group Inc, a transaction valued at approximately US\$3 billion.

In 2007, **Squire Sanders Gaikokuho Kyodo Jigyo Horitsu Jimusho** experienced continued strength in its core practice areas: M&A, infrastructure finance and regulatory/competition matters. The corporate group in Tokyo acted in several notable transactions in the past 12 months, including advising a listed Swedish manufacturer in its acquisition of manufacturing, sales and distribution operations in Japan, Europe, China, Korea, Australia and the US from a Japanese seller. Key lawyers are Steve Doi, Munehiro Matsumoto and Yuriko Kotani. The firm has also advised a major Japanese manufacturer in connection with establishing a large scale manufacturing joint venture in India (worth approximately US\$20 Million) with one of India's largest conglomerate, Steve Chelberg was the key lawyer.

Sullivan & Cromwell's strong presence in the Japanese corporate and M&A legal market is demonstrated by the firm's appearance in many of the most significant deals in the market. Partners Izumi Akai and Stanley Farrar provide expert advice on transactions, including representing Amgen Inc in the sale of Amgen KK to Takeda Pharmaceutical Co Ltd; Daimaru Inc in its acquisition of Matsuzakaya Holdings Co Ltd; and Eisai Co Ltd in its acquisition of MGI PHARMA Inc. Other notable clients include Matsushita Electric Works Ltd, Mitsukoshi Ltd and Promise Co Ltd.

White & Case's Tokyo office has advised many corporations on the options of contraction, expansion and restructuring. 2007 was a typically busy year for the firm. They advised global electronic payment network 'Visa' in connection with its historic US\$19.7 billion IPO, the largest IPO ever by a large margin, including the implementation of a related public offering in Japan. Leading individuals in this area are Robert Grondine, Mark Goodrich, Koichiro Ohashi, Brian Strawn, and Thomas LaMacchia.

Simmons & Simmons is also active in this area.

Employment

Freshfields Bruckhaus Deringer advised Morgan Stanley Japan Ltd regarding various employment issues, and Toyota Motor Corp and their subsidiaries on their 2007 Employee Share Option Programme (ESOP) across 36 jurisdictions.


Nishimura & Asahi have significant experience in providing domestic and foreign clients with a broad range of advice on labour laws and management-labour relations. Headed by partner Michihiro Mori, notable clients include: McDonald's Japan, Sojitsu Corp, Mizuho Securities Co Ltd, Morgan Stanley, Norton Rose LLP and TPG-AXON. In 2007 the firm was engaged by Japan Postal Service to carry out a due diligence review of the privatisation of the Japan postal service, the birth of one of the largest companies in Japan, and strategic advice on the restructuring from the viewpoint of labour law.

Yoji Maeda, partner of **O'Melveny & Myers Gaikokuho Kyodojigyo Horitsujimusho** advises international companies such as Twentieth Century Fox in all aspects of employment law, including advising in relation to termination of employment as a result of corporate reorganisation, settlement of sexual harassment cases, and drafting and revising employment agreements.

Orrick, Herrington & Sutcliffe LLP's employment practice in Tokyo is led by Laurent Develle. Admitted in Paris and a registered foreign lawyer in Japan, Develle has an established reputation for strategically handling employment, human resources and labour dispute matters in Japan. In 2007, matters handled include assisting a US inter-dealer brokerage with the enforcement of fixed-term contracts and post-termination non-competition covenants against key brokers in Japan, and assisting a US-based global retailer in a wage-and-hour audit in Japan and in a termination matter against a key executive in connection with a potential whistleblower-related claim.

Paul, Hastings, Janofsky & Walker is one of the few foreign law firms with offering a full range of legal services on employment and labour matters in Japan. The firm's lawyers have represented more than 45 Japanese domestic and international clients in a wide range of employment and labor matters and the clients include Applied Materials, Amgen Inc, The Thomson Corp and Wal-Mart Stores, Inc. The firm's lawyers are especially experienced in employment matters occurring following complex M&A transactions.

Sidley Austin Nishikawa address the employment needs of clients in the broader context of their business operations. The firm has acted for major foreign companies as their legal advisor on employment issues related to restructuring their organisations.

 **White & Case Tokyo** has developed a very experienced team of Japanese foreign attorneys to handle contentious labour matters. Leading individuals are Yuji Ogiwara, Eric Roose, David Case and Brian Strawn. In regards to non-contentious matters, the team assists many foreign national and Japanese based clients in connection with labour law and human resource compliance issues. *The firm was named Asian-Counsel's 'Firm of the Year' for Employment in Japan, 2008.*

Atsumi & Partners, Clifford Chance, Mori Hamada & Matsumoto and **Simmons & Simmons** are also active in this area.

Intellectual property

With two partners, seven associates and four paralegals **Baker & McKenzie GJB Tokyo Aoyama Aoki Koma**



Law Office's Tokyo IP practice group offer a full range of IP advice and services in the past 18 months. The team acted on many high-profile IP matters in 2007, including advising a leading Japanese fishing tackle and sporting goods manufacturer on a global trademark procurement project, and acting for a major manufacturer of machine tools in their strategy for the prevention of patent infringement and ultimately the initiation of legal proceedings against the infringer.

The lawyers in **Davis Polk Wardwell's** IP Group characteristically have business experience in the technology sector, as well as advanced scientific training. In the 12 months, the firm represented Sony Corp with respect to certain US patent enforcement matters. Anthony Fenwick was key counsel in this action.

Latham & Watkins advises numerous Japanese clients on disputes relating to patents, know-how and trademarks, and also represents American and European companies involved in IP issues in Japan. In addition, the firm handles many IP-related transactions involving Japan, including licensing and joint ventures. Daiske Yoshida, a US-qualified litigator who is a native speaker of English and fluent in Japanese, is becoming one of the widely recognised IP practitioners in Japan.

Lovells IP practice continues to stand-out as one of the leading practices in Tokyo. Lead by Lloyd Parker and recently joined by Eiichiro Kubota and seven other Japanese-qualified lawyers, the IP team advises on Japanese and international IP issues and specialises in different areas, including IP litigation, international IP protection strategies, commercialisation work, and portfolio strategies and management. Recent highlights include advising Brother Industries Ltd with trade mark infringement proceedings in the Federal Court of Australia and advising Matsushita Electric Industrial Co Ltd with timely strategic advice in respect of a global trade mark matter that included the need to acquire rights and secure licences in a number of jurisdictions.

Milbank, Tweed, Hadley & McCloy LLP Tokyo's IP Practice is lead by Chris Chalsen, a partner in Milbank's New York office, and head of the firm's IP practice group. The firm's team also includes experienced and licensed patent and trademark prosecutors, who advise clients on all aspects of IP portfolio protection, maintenance and development.

Mori Hamada & Matsumoto has significant experience in handling Japanese and international infringement cases involving patents, trademarks and copyrights. The team is lead by partners Masayuki Matsuda, Hiroko Yamamoto, Hiroki Saito, Yutaka Miyoshi and Yuko Noguchi. In 2007 the group successfully brought a copyright lawsuit seeking an injunction against Japanese companies selling DVD's of

a prominent film-maker, and persuaded the District and High Courts of the correct understanding of 'public domain' given the complicated relationship between the former and current copyright law of Japan.

Morrison & Foerster LLP's IP practice in Tokyo is co-headed by partners Matthew Berger and Max Olsen. They are assisted by key partners Motonori Araki, Stuart Beraha, Craig Celniker, Mark Danis, Robert Hollingshead, Taro Isshiki, Daniel Levison, Jay Ponazecki, Peter Stern and Yukihiro Tera-zawa. Recent representations include: NEC Electronics in its foundry and investment deal with Link-A-Media Devices Corp and SBI Biotech in its patent licenses from ODC Therapy, Changchun Huapu Biotechnology Co Ltd and a third company aimed at development of cancer treatment vaccines.

Nishimura & Asahi provides the full spectrum of IP legal assistance, from financing and licensing to dispute resolution. Headed by partners Eiichi Fukushima and Yoshiyuki Miyashita, major clients include: Canon Inc, Johnny's Entertainment Inc and Johnny's Office Co Ltd. In 2007, the firm was involved in the Canon patent litigation, where Canon argued that Recycle Assist Co Ltd (RA) was violating Canon's patent rights by refilling new ink into used ink cartridges made by Canon and selling the refilled ink cartridges. This important litigation led to a clear interpretation by the Supreme Court on the 'the exhaustion of rights doctrine' for the first time.

Orrick, Herrington & Sutcliffe LLP's Tokyo office is led by partners Mark Weeks and Shintaro Kuroda. The firm recently worked with the Business Software Alliance to settle a copyright infringement case with a local private college involving more than 10,000 illegal copies of software, achieving the largest single copyright settlement in the region. Other recent matters include representing a Tokyo-based global manufacturer of food products and pharmaceuticals in a variety of complex IP technology transfers and disputes; a Tokyo-based global provider of IT products and services in patent litigation and cross-border IP transactions; and a Tokyo-based global chemical products and lifesciences company in the negotiation of license, distribution and acquisition agreements.

Over the last two years **Paul, Hastings, Janofsky & Walker's** IP team has been steadily growing with the addition of US IP law and antitrust law capabilities to the Tokyo office. A significant amount of the firm's work focuses on US litigation for Japanese companies resulting in a significant amount of collaboration with the US IP/Litigation team. Recent successful cases include a major victory for Quanta Computer in the US Supreme Court, Eisai's pharmaceutical patent case, Bridgestone's patent infringement case in the US and a major counterfeit case for one of the leading electrical goods manufacturers in Japan.

Ropes and Gray's IP team consists of more than 200 lawyers, 43 patent agents and technical advisors and 34 paralegals. A majority of the professionals in this group, headed by William McCabe, Edward Black and Joseph Guiliano focus solely on litigation. Notable clients include Aisin AW, Bain Capital and Sanyo Electric Co Ltd. In the representation of Aisin, the firm assisted in a patent infringement suit, enforcing patents against competitors and defending them from claims of infringing third party patents.

Steve Chelberg and Ken Kurosu are key practitioners in **Squire Sanders Gaikokuho Kyodo Jigyo Horitsu Jimusho's** IP practice. The firm represented a major Japanese pharmaceutical company in acquiring a worldwide IP portfolio for a class of compounds for new drug development and a Japan-based buyer regarding IP issues as part of a US\$150 million acquisition.

AC TMI Associates was named *Asian-Counsel's* 'Firm of the Year' for Intellectual Property in Japan, 2008.

The IP team at **White & Case** Tokyo assists clients in all IP aspects of joint ventures, M&A, strategic alliances and other corporate transactions, including structuring and negotiating license and technology transfer agreements. The firm currently represents Gaiam Media in its copyright infringement suit against Sugi Drug. A selection of clients include: Amkor Technologies, Rohm, Oak Lawn Marketing (Shop Japan), Coors Japan, Gaiam Media, IHI, Inverness Medical, Mattel, NSK, and Rainbow Partners. Leading individuals in this practice are: David Case and Yuji Ogiwara.

Atsumi & Partners, Finnegan Herderson, Hogan & Hartson LLP, Jones Day, Morgan Lewis-TMI, Nagashima Ohno & Tsunematsu, Nakamura & Partners and **O'Melveny & Myers Gaikokuho Kyodojigyo Horitsu-jimusho** are also active in this area.

Litigation and dispute resolution

Atsumi & Partners has extensive experience assisting various clients in relation to civil litigation matters. In a notable transaction in 2007, the firm represented an emerging local airline company sued by a major local company because its cancellation of outsourced services, appealing for invalidity of the cancellation and a damage compensation of ¥300 million. Except for the unpaid commission fee of ¥60 million, this was altogether a winning case in which the claim for damages and compensation were both dismissed.

Lawyers at **Baker & McKenzie GJB Tokyo Aoyama Aoki Koma Law Office** are well equipped to represent clients in all types of commercial and civil proceedings in both domestic and international venues. The team was enhanced with the addition of Haig Oghigian as a partner in 2007.

Clifford Chance's litigation and dispute resolution group has grown rapidly, with the addition of three new team members. The firm continues to provide both foreign and domestic law capability for litigation, arbitration, mediation, regulatory and investigation services.

Litigation has been a cornerstone of **Davis Polk & Wardwell's** practice since the firm's inception. Practice group heads Eugene Gregor and Theodore Paradise are consistently recognised for their expertise and professionalism, and have provided assistance on litigation matters in connection with shareholder relations issues and in connection with the Foreign Corrupt Practices Act in the previous year.

Led by practice group head Kazuki Okada the litigation and dispute resolution team at **Freshfields Bruckhaus Deringer** has recently advised Bloomberg LP on various employment litigation matters. The firm has also advised Morgan Stanley Japan Ltd on various litigation matters including employment related and intellectual right related disputes.

Latham & Watkins' global reputation for litigation and dispute resolution extends to Japan, where the practice is led by Daisuke Yoshida. The firm has a broad litigation practice in Japan, with a strong emphasis on cross-border antitrust and competition law, and governmental investigations.

In the area of IP litigation, **Lovells** represents a number of Japanese companies with IP issues overseas. Lovells has been appointed the Brother Group's main IP advisor for European IP matters, and continues to advise the company for patent and trademark litigation work in a number of other jurisdictions. The firm is now able to advise in respect of Japanese law and receives instructions from foreign companies with IP related problems in Japan. As well as the on-going work they have been doing to assist the medical device developer Novadaq Technologies Inc with a Japanese patent matter relating to their leading edge cardiac surgery device, the firm also assisted a major telecommunications company with an ADSL related patent infringement claim, and subsequent negotiations resulting in a licence.

Mori Hamada & Matsumoto have built a strong reputation in the area of dispute resolution. Key individuals in this practice for the firm are Takashi Iida, Ryota Yamagishi, Yoshifumi Kobayashi, Ryosuke Aihara, Naosuke Ichikawa, Takashi Miyatani, Gaku Hayakawa, Katsuyuki Shibata, Junichi Tobimatsu and Masaru Arai.

Morrison & Foerster LLP's Max Olsen heads the firm's litigation and dispute resolution practice, representing key clients such as Fujitsu, Apple Inc and Yamaha. Notable partners in the group include: Motonori Araki, Craig Celniker, Mark Danis, Yaeko Hodaka, Taro Isshiki, Dan Levison, Jack



Londen, Peter Stern, Louise Stoupe and Yukihiro Terazawa. The firm represented Funai Electric in an ITC proceeding brought against 6 groups of Taiwanese, Chinese and US television manufacturers where several parties were persuaded to settle. They are also defending Advanced Micro-Fabrication Equipment against allegations that former employees misappropriated trade secrets after joining the company.

A.C. **Nagashima Ohno & Tsunematsu** *Asian-Counsel's* 'Firm of the Year' for Litigation in Japan, 2008.

Nishimura & Asahi have worked on a variety of civil and commercial disputes, especially large scale cases involving the defence of clients' interests. Headed by partner Hiroyuki Tezuka, the group acted in the litigation against the National Tax Authority by Sumitomo Trust Banking Co, challenging the imposition of withholding tax on securities repurchase transactions, and won a judgment from the Tokyo District Court for the recovery of ¥7.5 billion (US\$62.5 million), and successfully defended the decision at the Tokyo High Court.

Paul, Hastings, Janofsky & Walker is one of the few international law firms with partners based in Japan with both US qualified and Japanese qualified bengoshi expertise. The firm has added lawyers in US IP law and antitrust law to the Tokyo office over the last two years. Recent notable cases include a victory for Quanta Computer in the US Supreme Court, a counterfeit case for one of the leading electrical goods manufacturers in Japan, Eisai's pharmaceutical patent case and Bridgestone's patent infringement case in the US.

The **Ropes & Gray** commercial and business litigation practice acted a number of high-profile litigations in 2007, department head Robert Fischler successfully acted for IBJTC Bus Credit Corp accused of tortious interference with a financing arrangement, while key partners Patricia Martone and Hiroyuki Hagiwara represented Ricoh Americas et al in their patent infringement suit against multiple defendants in California.

Sidley Austin Nishikawa has experience in various areas of civil and business-related litigation, in connection with commercial contracts, real estate, tax, labour, collection and other kinds of cases at the level of district courts and appellate courts.

Squire Sanders Gaikokuho Kyodo Jigyo Horitsu Jimusho's litigation and advocacy practice grew significantly in 2007, with heavily contested litigations in the Tokyo District Court and arbitration proceedings before the Japan Commercial Arbitration Association and International Chamber of Commerce. Recent notable matters the firm advised on include the representation of a major Japan-based satellite operations company in a dispute company over development of a mobile satellite. The dispute went to arbitration before

the International Chamber of Commerce (ICC) and is notable because it was a very rare example of Japanese law argued in Japanese before an ICC arbitrator. Key lawyers include Ken-ichiro Kawada, Ken Kurosu, Seiji Miwa and Yuriko Kotani.

White & Case Tokyo has seen significant growth in their dispute resolution work in recent years. Leading individuals for the firm in this area are Robert Grondine, Mika Suzuki, Mark Goodrich, and David Case. With clients that include Amkor Technology, Amway Japan, Hillerich & Bradsby Co, Inverness Medical, IHI Corp, Lenovo Japan, Oak Lawn Marketing, METI and West LB.

Anderson Mori & Tomotsune, Clifford Chance, Herbert Smith, O'Melveny & Myers Gaikokuho Kyodogogyo Horitsujimusho and **Simmons & Simmons** are also active in this area.

Projects and project financing

The **Atsumi & Partners** projects team worked on many important transactions in 2007, including: representation of the project sponsor in connection with the financing and development of Nagoya Port; representation of the project sponsor in connection with the financing and development of a sports centre in Nagoya; representation of the project sponsor in connection with the financing and development of facilities for culture in Shizuoka; and representation of the project sponsor in connection with the financing and development of facilities for hospital in Kanagawa.

Baker & McKenzie GJB Tokyo Aoyama Aoki Koma Law Office's projects and project financing group undertakes a wide range of financial work. Heads of group Paul Davis and Anne Hung worked on several notable transactions in the previous year, including advising Itochu Corp to develop and make finance improvements to a refinery in Indonesia; representing Electric Power Development Co Ltd in their successful bid to develop, construct, own, operate and manage power plants in Thailand; and advising Inpex Corp on the restructuring of shareholder interests in the Kashagan Oil Project in Kazakhstan.

With considerable experience **DLA Piper** advise a broad range of clients on project financings across jurisdictions and key industry sectors. Lawyers Lance Miller and Stanley Boots advised the Ministry of Industry of the Government of Vietnam as project owner on the construction and finance of the 1200 MW Mong Duong II Power Project; while Paul Frederick assisted Chugoku Electric Power Co with the negotiation and documentation of an agreement for the long-term purchase of LNG from a major energy company in Australia. Other notable clients include: Toyota Tsusho Corp; INPEX Corp; and Mitsubishi Chemical Co.

Latham & Watkins is known throughout Asia for high-quality project finance work. The firm represented Marubeni Corp and its subsidiary Marubeni Caribbean Power Holdings Inc (MCPH) in the bridge financing related to the acquisition of power plants located in the Bahamas, Curacao, Jamaica and Trinidad & Tobago, and two standby financings relating to tender offers made by two subsidiaries that had been acquired. The total acquisition value exceeded US\$1 billion. The bridge financing facility and the standby financings reached approximately US\$600 million and closed successfully in the second half of 2007.

Milbank, Tweed, Hadley & McCloy LLP's Asia project finance practice is led by Gary Wigmore, the Tokyo managing partner. Senior Associate Mark Plenderleith, who heads the Tokyo project and leveraged finance practices, also has a wealth of transactional experience in Asia. The past year has been especially busy, with the firm's Asian team working on a number of global deals. Significant closed transactions include the Ambatovy nickel mine financing, in Madagascar; the BNP Paribas Interoceanica Sur Toll Road in Peru, and the KEPASIL mines acquisition in China. Ongoing projects include advising the lenders on the Tanjung Jati B power expansion project in Indonesia – the first post-financial expansion, as well as other energy infrastructure projects in Indonesia, Laos, the Philippines and the Middle East. Milbank is also currently advising on the second phase of the award-winning Hynix-ST Semiconductor financing in China, Indonesia, Mongolia and Singapore.

Morrison & Foerster LLP's projects practice head Mike Graffagna has represented a series of notable clients, including Toshiba Corp, Mitsui & Co Ltd and Woodside Energy. With key partner Dale Caldwell, Graffagna represented Toshiba's Power Systems Division in its venture with NRG Energy Inc to develop nuclear power projects in North America. The firm also represented the borrower and its parent guarantor in connection with the implementation of a US\$130 million mezzanine financing within an existing project financing structure. Tsugumichi Watanabe is another key partner in the group.

Headed by partners Hiroshi Maeda, Masahiro Ueno and Nagahide Sato, **Nishimura & Asahi** offers a wide range of advice on drafting financing agreements and other related agreements for financial institutions. The firm represented Mizuho Corporate Bank in the massive urban redevelopment project of areas known as AC Blocks and B Block within Umeda Kita Yard in front of JR Osaka Station, owned by Japan Railway Construction, Transport and Technology Agency, and Urban Renaissance Agency, respectively. The transaction marked the biggest real estate development secu-

ritisation transaction in West Japan and was used as the model for projects on other blocks within the yard.

The project finance group in **Orrick, Herrington & Sutcliffe LLP's** Tokyo office has a leading practice in renewable energy, particularly wind energy, led by partner Yoichi Katayama and supported by counsel Minako Wakabayashi. The team recently advised a Japanese renewable energy investment company on the establishment of the largest investment fund in Japan, and one of the largest in the world, focused on global wind energy projects. They also served as counsel on the first large-scale Japanese wind energy project finance transaction and advised Japanese investors in the first wind power project financings in Italy, Spain and the UK. Project finance for Japanese clients investing in the Russia Far East is provided by partner Sergey Milanov.

Paul, Hastings, Janofsky & Walker has one of the largest leading full service projects practices in Asia. The group has a broad Asia-wide focus representing developers, sponsors, investors, contractors, operators, fuel suppliers, off takers, lenders and financial institutions, multi-lateral development and export credit institutions, investment banks and financial advisors, as well as other participants, in all types of infrastructure and industrial projects.

Shearman & Sterling's project development and financing practice in Japan is led by Etienne Gelencser, a fluent Japanese speaker, and highlights from the practice this year include acting for JBIC as commercial lenders to Sembcorp Utilities on a potential bid for the Fujairah II IWPP in the UAE, advising Mitsubishi as sponsor in a bid for the financing leasing of Komatsu trucks for a mine in Chile and advising Petronas on a framework agreement for the supply of gas turbines by Rolls Royce under an umbrella framework agreement. In addition the firm's Japan PDF practice has an excellent relationship with JBIC and regularly holds seminar presentations at the Japan Overseas Institute.

Sidley Austin Nishikawa has been involved in structuring and documenting a broad variety of financings in many industries including electric power generation, telecommunications, mining, pipelines, railroads, ports, paper and manufacturing. The firm's lawyers represent all types of project participants including developers, construction contractors, service providers, senior lenders, subordinated lenders, export credit agencies, multilateral credit agencies and equity investors. Its lawyers have a comprehensive understanding of the needs of different project participants and are adept at crafting solutions that balance conflicting interests.

Squire Sanders Gaikokuho Kyodo Jigyo Horitsu



Jimusho's projects and project financing practice continued to thrive in 2007. The firm assisted their traditional Japanese client base in projects worldwide, including a refinery financing in Latin America, petrochemical and desalination facilities in the Middle East, chemical manufacturing facilities in India, as well as various acquisitions in China, Europe and the US. Key lawyers in the practice group include Steve Doi and Ken Kurosu.

In Japan, **White & Case's** project finance practice, particularly strong in the energy sector, have been involved in some of the world's biggest transactions. Leading individuals in this area are Hendrik Gordenker, Toshio Dokei, Alexander Woody, and Mark Goodrich who joined the firm during the past year bringing a wide-ranging experience in the energy, power, petrochemical and telecom sectors.

Ashurst, Anderson Mori & Tomotsune, Herbert Smith, Mori Hamada & Matsumoto, Nagashima Ohno & Tsunematsu and **TMI Associates** are also active in this area.

Restructuring and insolvency

Shinichiro Abe heads **Baker & McKenzie GJB Tokyo Aoyama Aoki Koma Law Office's** restructuring and insolvency practice, a group which went from strength to strength in 2007. Among the notable transactions the team was involved in recently, the firm was appointed as bankruptcy trustee for an individual who was formerly the tenth richest individual in the world as CEO of Azabu Building Group. The debt of this claim was almost US\$800 billion.

A/C Headed by partner Hideki Matsushima. **Nishimura & Asahi** provide a full range of legal services related to restructuring (turnarounds), bankruptcy and liquidation. Among these services are legal rehabilitation proceedings; legal liquidation proceedings such as special liquidation proceedings and bankruptcy proceedings; and voluntary liquidation utilizing various laws and legal systems/institutions, including the Industrial Revitalization Corporation Act, Guidelines for Voluntary Liquidation, Specific Conciliation proceedings, the Resolution and Collection Corporation (RCC) and the Small and Medium Enterprise Agency (SME). *The firm was named Asian-Counsel's 'Firm of the Year' for Restructuring & Insolvency in Japan, 2008.*

Sidley Austin Nishikawa restructuring and insolvency practice extends to virtually every aspect of bankruptcy and reorganisation. The firm has been retained by domestic companies to provide value for legal services possible to achieve their desired business solution.

In Tokyo, **White & Case** have a team of dual-qualified bilingual lawyers restructuring and insolvency specialists. Leading individuals in this practice group are Robert Grondine, Mika Suzuki and Tetsuya Morimoto.

Mori Hamada & Matsumoto is also active in this area.

Shipping

White & Case has a strong presence in the Tokyo shipping market, with extensive experience in financing all types of vessels and offshore oil and LNG production, through debt or structured lease financing or on a project finance basis, as well as advising clients on all commercial shipping transactions. Leading individuals in this practice are Simon Collins, Keiko Tashiro, Hendrik Gordenker, Alex Woody and Takeshi Takahashi.

Telecommunications, media & technology

Latham & Watkins has experience managing a wide range of telecommunications projects as well as technology transactions. The Tokyo office advised Liberty Global Inc in a complex M&A transaction in the sale of a certain business of its subsidiary, Jupiter TV Co Ltd, to Sumitomo Corp and the merger of the remaining divisions of Jupiter TV Co Ltd with Jupiter Telecommunications Co Ltd. As Jupiter TV is the biggest programming content supplier in Japan and J:COM the largest cable television company in Japan, there were significant regulatory hurdles the parties had to overcome to successfully complete the transaction.

Under Practice Group Head Masayuki Matsuda, **Mori Hamada & Matsumoto**, represented a consumer electronics manufacturer in an M&A matter (value: US\$3 million) advising on the several issues and also managing due diligence in the negotiation process. The firm also successfully defended a major Japanese broadcasting company in copyright litigation (seeking injunction and damages) brought by a foreign company in a Tokyo District Court. This case involved copyright issues as well as the interpretation of an international treaty and International Public Law. Key practice partners are Hiroki Saito, Yutaka Miyoshi and Yuko Noguchi.

Matthew Berger heads **Morrison & Foerster LLP's** TMT practice in Tokyo, and his impressive team includes key partners Stuart Beraha, Jay Ponazecki and Yukihiro Tera-zawa. The team represented Yahoo Japan in its acquisition of Overture KK, in particular with respect to the sponsored search services agreement underpinning the target's business. They had previously advised Yahoo in its sponsored search relationship with the same entity. Other notable clients include Hitachi, Toshiba and Fujitsu.

A/C **Nagashima Ohno & Tsunematsu** was named *Asian-Counsel's 'Firm of the Year' for Telecommunications, Media & Technology in Japan, 2008.*

Headed by partners Yoshiyuki Miyashita and Masakazu Iwakura. **Nishimura & Asahi** has a solid record of accomplishment regarding advice on M&A, acquisition defences, and correspondence with governmental agencies for acquir-

ing official licensing for telecommunications, media (broadcasting), and technology-related corporations.

Recent TMT work for **Squire Sanders Gaikokuho Kyodo Jigyo Horitsu Jimusho** has included advising a Japan-based telecommunications business concerning laws and regulations relating to implementation of its new branded credit card and mobile telephone payment system platform in Hawaii, Guam and Saipan. Stephen E Chelberg's involvement was key. In addition Steve Doi and Munehiro

Matsumoto advised a multinational technology company regarding various acquisitions in mobile communications, energy storage devices, multi-media platforms and related technologies throughout Japan and China.

White & Case is also active in this area. **PBP**

Note: The list of law firms above is not exhaustive. Other firms are active in this jurisdiction.