

Winner

Smooth operators

BHP Billiton



ALTHOUGH THE LARGEST ACQUISITION FINANCING DEAL PUT TOGETHER IN 2010 DID NOT COME TO FRUITION, IT WAS WIDELY CONSIDERED TO BE AN OUTSTANDING PIECE OF WORK BY THE TREASURY TEAM THAT CRAFTED IT.

Why they won:

This global treasury team manages a global business and is widely regarded as a centre of excellence, dealing with complex and wide-ranging operational, financial and strategic issues. The team's approach is practical, straightforward and flexible.

BHP Billiton is the world's largest mining company and has a global treasury team managed from London. The department has a broad remit and the complexity and breadth of the day-to-day challenges it faces require a high degree of specialisation and co-ordination. BHP Billiton treasury has responded to those challenges by becoming a centre of excellence.

The team demonstrated its efficiency and technical know-how by methodically working through tasks on the unsolicited bid for Potash Corporation. The bid required a \$45bn underwritten facility – the largest acquisition finance loan since brewer InBev's acquisition of Anheuser Busch in 2008 and the first significant M&A finance in Europe since the collapse of Lehman Brothers. The team was meticulous in its months of work on the confidential transaction prior to the announcement of the bid.

To put the acquisition financing deal together, the treasury team played to its undoubted strengths, rewarding best-in-class ideas and

processes, and constantly looking for innovation. BHP has carefully established and nurtured its bank relationships and regularly assesses and benchmarks bank capabilities. The full and immediate syndication of the underwritten acquisition facility to 19 additional banks demonstrated the ability of the treasury team to manage those strongly forged relationships. The team is well run, straightforward to deal with, and manages effectively without the complexity found in many large companies.

Willie Murray, BHP Billiton group treasurer, says: "The strengths of the BHP Billiton treasury team, and probably any treasury team in a diversified global environment, are that no activity can be undertaken without understanding the full project and attention to detail is a prerequisite. Each team member takes ownership of their own area of responsibility, collaborates with other functions in the group, and trusts their own judgement. All of this, combined with a forward-looking view and a proactive stance, results in a good team."

Special commendations

Capita and Experian



Two special mentions this year in this category go to Capita and Experian. Capita's newly formed treasury seamlessly integrated numerous bolt-on acquisitions and has demonstrated success in diversifying sources of debt funding.

Capita group treasurer Ian Peake says: "Last year, the Capita treasury team successfully supported the group's expansion by issuing \$375m of US private placement notes at competitive market rates. In addition the team refinanced and expanded its core bank facility in a bank relationship group defining a £425m club revolving credit facility. The team also integrated 12 bolt-on acquisitions totalling in excess of £300m – almost double an average year – while implementing a new treasury management system and commencing

a corporate SWIFT access programme to streamline cash management. All of this was delivered by a small central team of seven."

Antony Barnes, group treasurer of Experian, nominated his team, which coped magnificently in his absence after he broke his neck in a holiday accident. The experienced team refinanced 85% of the company's debt facilities; highlights were a euro medium-term note (EMTN) late in 2009, a first bond issue in February 2010, and a revolving credit facility in autumn 2010.

Barnes adds: "There is a strong commitment to education and training. All six members below the group treasurer have been involved in study this year: MCT, AMCT, DCU Graduate Diploma in Corporate Treasury, IFRS Diploma and ACCA."