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Floating a foreign company: practical considerations

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There has recently been an increase on the Polish capital market in the number of transactions where the initial public offering is made on several markets, including the Polish one, and then shares are introduced to trading on the Warsaw Stock Exchange. The number of situations in which companies registered in another member state enter the Polish capital market as the only regulated market on which shares will be listed has also increased. Although the market's economic situation is a bit uncertain for the time being and there is a relatively short supply of funds from investors interested in shares, it must be expected that the number of transactions involving a foreign element on our capital market will increase over the next few years.

This results from a few factors. First, there is considerable interest in the Polish market among potential issuers from other member states in that region. Second, the Polish market is increasingly being considered an attractive place for making a simultaneous initial public offering and introducing the shares to trading, particularly where a part of the assets or projected investments of the issuer is located or will be located in Poland. It is thus worth considering a few special issues related to introducing shares of a foreign company to the Polish market.

Regulatory framework

Although a number of actions were taken in the EU to harmonise capital market legislation to the fullest possible extent and this is treated as a priority with a decisive effect on the availability and costs of raising capital and therefore the competitiveness of the economy, considerable differences between regulations applicable in various markets are still apparent in practice.

The issue of prospectus drafting and approval has already been regulated in a relatively uniform manner, but expectations, as well as the timing and manner of proceedings of specific market regulators, differ significantly in practice. These differences concern aspects such as the possibility of filing the draft prospectus without significant parts, including financial data, or the need for advisors, including legal advisors, to sign the representations made in the prospectus.

The speedy and efficient process of passporting a prospectus approved in one member state to another member state is an undisputed advantage of European regulations. This allows for an easy foreign initial public offering and admission of shares to trading in the host country on the basis of a prospectus approved by a regulator from the home country. It is worth keeping in mind that, unlike in many other EU countries, an initial public offering may start in Poland only after the issuer receives a prospectus notification confirmation from the Polish Financial Supervision Authority as the notification itself is not sufficient.

Since the implementation of the directives has been delayed, considerable irregularities still exist with respect to the meeting of reporting requirements by securities issuers. This results from the fact that numerous member states have not yet fully implemented the Transparency Directive in their legal systems.

Another area where considerable differences between specific member states can be noticed is the liability of the issuer, its advisors and natural persons involved in work on the prospectus for the contents thereof and any damage inflicted to the investors. These irregularities concern both the question of who is to be held liable and the basis for and reasons to exempt such liability.

Settlement system

Issues related to the settlement system are of great importance in the case of each transaction on the capital market. For securities

introduced to trading on the Polish market, a dematerialisation agreement must be executed with the Polish National Depository for Securities to allow for trade in such securities in Poland. In other words, shares to be traded in Poland must be dematerialised and registered in the National Depository for Securities.

For offerings where shares are introduced to trading simultaneously on a few regulated markets, the issue of such settlement system as to enable exchange of securities between those markets is of special importance. In practice, due to a direct link between the Polish National Depository for Securities and other settlement systems, it is possible to design such relations as to efficiently transfer securities between the Warsaw Stock Exchange and other stock exchanges, and specifically between transaction settlement systems in specific countries.

Reporting requirements

As far as reporting requirements are concerned, one rule should be borne in mind with respect to companies whose shares are listed on a foreign market or markets: requirements applicable in each country where the issuer operates, or in which its shares are listed, must be met. At present, there are still considerable differences in reporting requirements in various EU member states. This generates additional costs for the issuer, as well as the need to meet all of the (often inconsistent) national requirements when preparing continuing and periodic reports.

Nonetheless, because of the expected (but somewhat delayed) implementation of the Transparency Directive, there is hope that the situation will improve considerably. As a rule, if the home country has fully implemented the Transparency Directive in its legal system, the scope and content of the reporting requirements will be determined by the home country regulations only.

However, as far as the Polish market is concerned, in some cases foreign reports will still

have to be summarised and translated into Polish.

Other issues

Naturally, apart from those mentioned above, there are still a number of other legal issues relevant to the initial public offerings of foreign companies. One should remember issues such as the somewhat different regulations concerning so-called close periods, squeeze-out and sell-out requirements or the issues surrounding the delisting of shares. These elements, though significant from a legal perspective, shouldn't dampen the increasing interest among foreign issuers in the Polish capital market.

Capital markets

Recommended firms	
Tier 1	Dewey & LeBoeuf Grzesiak Weil Gotshal & Manges
Tier 2	Allen & Overy A Pedzich Baker & McKenzie Gruszczynski i Wspólnicy Linklaters C Wisniewski i Wspólnicy White & Case W Danilowicz W Jurcewicz i Wspólnicy
Tier 3	Chadbourne & Parke Radzikowski Szubielska i Wspólnicy Clifford Chance Janicka Namiotkiewicz Debowski i Wspólnicy CMS Cameron McKenna Dariusz Greszta Spółka Komandytowa Domanski Zakrzewski Palinka Salans
Tier 4	Lovells H Seisler Oles & Rodzynkiewicz Soltysinski Kawecki & Szlezak Wardynski & Partners

In Q2 2009 a partner at one of Warsaw's big firms said, "This is probably the most difficult period in the history of Poland's capital markets."

The equity market has historically been the area of highest activity on Poland's capital markets, and of course equity has been worst hit by the global financial downturn. While some neighbouring jurisdictions saw faint signs of recovery during the first two quarters of 2009, Poland remained quiet, save for the occasional debt issuance – such as the city of Warsaw's landmark €1.3 bil-

lion MTN programme, which was handled by Allen & Overy.

There have also been some big moves between firms over the past year. Zbigniew Mrowiec has shifted from Dewey & LeBoeuf Grzesiak to Allen & Overy. Linklaters lost Marcin Chylinski, who, as well as taking some other lawyers from the firm, has moved back to Weil Gotshal & Manges.

Dewey & LeBoeuf Grzesiak

Despite the loss of partner Zbigniew Mrowiec to Allen & Overy, the firm's capital markets team has continued to hold its reputation and deal-flow.

The team, led by Jaroslaw Grzesiak, has been active on some interesting deals, including a rights issue and three planned IPOs. In February 2009 Dewey advised UniCredit on Polish aspects of its €3 billion share capital increase and the offering of new shares listed in Milan, Frankfurt and Warsaw, in one of the first rights issue deals made by a foreign company in Poland.

The planned IPOs the firm is acting on include a multi-billion-zloty offering for PGE Polska Grupa Energetyczna, one for Canadian Kulczyk Oil Ventures and another for Asseco South Eastern Europe, all on the Warsaw Stock Exchange.

Leading lawyers

Jaroslaw Grzesiak
Artur Zapala

Weil Gotshal & Manges

Weil Gotshal & Manges' capital markets team is highly respected by clients and competitors, and is celebrating the return of partner Marcin Chylinski, who spent some time with Linklaters.

The firm was fortunate enough to act on the last big IPO in Poland not stalled by the global downturn when it advised ENEA on its listing on the Warsaw Stock Exchange of 104 million newly-issued series-C shares, an IPO in Poland and an international offering to institutional investors. The deal was worth €528 million.

The firm also dealt with two issues for Petrolinvest. The larger of the two involved advising the company on its €154 million private offering of Series G ordinary bearer shares to investors as an in-kind contribution in exchange for shares in Petrolinvest.

A recent client says of the team: "These guys really know what they're doing. In addition to good execution, they're solution-focused – unlike other lawyers, they come with solutions rather than a snag list."

Leading lawyers

Marcin Chylinski
Anna Frankowska
Pawel Zdort

Allen & Overy A Pedzich

Allen & Overy's capital markets team was strengthened in 2009 by the addition of Zbigniew Mrowiec from Dewey & LeBoeuf Grzesiak, who will co-head the department with Jacek Michalski.

Though the equity markets have been having their quietest period yet, there have been some movements on the debt market that Allen & Overy's capital markets team has been taking part in. The firm worked with the city of Warsaw on the establishment of its €1.3 billion medium-term note programme. Another highlight saw the team advise the state treasury of Poland on the update of its €25 billion MTN programme and a €1 billion issue of notes, due 2014, under that programme.

Leading lawyers

Jacek Michalski
Zbigniew Mrowiec

Baker & McKenzie Gruszczynski i Wspólnicy

Led by Konrad Konarski, Baker & McKenzie's capital markets group was highly active in equity work in 2008, advising on some of the largest IPOs on the Warsaw Stock Exchange. However, the global financial downturn led to the team experiencing a significant drop in activity, and it was working on only one equity deal as at Q2 2009. This was the on-hold IPO of BGZ Bank and the sale of its entire stake by the Polish state treasury.

Despite the gloomy outlook for the equities market at the time of writing, the latter deal, being of great magnitude and complexity, has been keeping 20 of the firm's lawyers busy.

Leading lawyers

Konrad Konarski

Linklaters C Wisniewski i Wspólnicy

Linklaters' Polish capital markets team suffered a blow in early 2009 when Marcin Chylinski returned to Weil (his former firm), taking a handful of associates with him. However, corporate partner Jolanta Tropaczynska has taken on leading the team, and is boosted by the involvement of Francis Kucera from the London office.

On the debt market, the firm advised BNP Paribas and Deutsche Bank, the arrangers and dealers on a €1.3 billion MTN programme for the city of Warsaw.

The firm also acted for UniCredit CAIB, the lead manager and sole book runner on the privatisation of ZAK – part of the restructuring of Poland's biggest chemical corporation.

The team also has an IPO on hold. It has been advising Credit Suisse as global co-ordinator and underwriter on the IPO of Bank Gospodarki Żywnościowej, Poland's largest agricultural bank.

Despite the loss of some of its lawyers, then, the team has maintained capacity and is continuing to act. It is for these reasons that it holds onto its tier two position this year.

White & Case W Danilowicz W Jurcewicz i Wspólnicy

White & Case's capital markets team, led by Witold Jurcewicz, has been living up to its reputation as one of the big guns on the market, working for big-ticket clients on some interesting mandates. One such client says: "They offer international and domestic work of the highest quality. They have an experienced team of lawyers as well as a deep understanding of clients' legal problems and the structuring of transactions."

Three notable instructions were from two coal companies and covered both debt and equity offerings. Jurcewicz and team represented Lubelski Wegiel in its IPO and listing on the Warsaw Stock Exchange. They also advised Katowicki Holding Węglowy in its IPO and listing, as well as on its Z1900 million (€207 million) coal bond issuance.

Another debt mandate saw the team act for the Polish state treasury on its US shelf negotiations and the preparation of documentation for the issuance of foreign-currency bonds on the US market. This deal demonstrated the team's high technical abilities, as it included preparation of the updated shelf programme and the submission of registrations to the Securities and Exchange Commission.

Leading lawyers

Janusz Fiszer
Witold Jurcewicz

Other ranked firms

Chadbourne & Parke Radzikowski Szubielska i Wspólnicy's capital markets team has been active in both debt and equity this year. It advised Danish group TDC in the sale of the corporation's €860 million share stake in Polkomtel, one of the three big mobile operators in Poland. On the debt side, the team advised Bank Pekao as agent and under-

writer on a revenue bond issuance by a municipal water utility company.

Clifford Chance Janicka Namiotkiewicz Debowski i Wspólnicy's capital markets team has been especially busy, particularly with providing advice on debt issuance programmes. On the equity side, it acted as counsel to the underwriter for UBS, Bank Austria Creditanstalt and Dom Maklerski on the global offering of shares in Cyfrowy Polsat. On the debt side, the team advised Deutsche Bank on the update of the €25 billion issuance programme of treasury bonds for the Polish state treasury.

Other notable firms

Gide Loyrette Nouel participated in a stand-out capital markets deal in May 2009, when it advised Telekomunikacja Polska on the issue of €1.5 billion of bonds under a European MTN programme, listed on the Luxembourg Stock Exchange.

Banking

Recommended firms

Tier 1

Allen & Overy A Pedzich
Clifford Chance Janicka Namiotkiewicz Debowski i Wspólnicy

Tier 2

CMS Cameron McKenna Dariusz Greszta Spółka Komandytowa
Dewey & LeBoeuf Grzesiak
Linklaters C Wisniewski i Wspólnicy
Norton Rose Piotr Strawa and Partners
Weil Gotshal & Manges
White & Case W Danilowicz W Jurcewicz i Wspólnicy

Tier 3

Baker & McKenzie Gruszczynski i Wspólnicy
Lovells H Seisler
Salans
Softysinski Kawecki & Szlezak
Wardynski & Partners
Wierzbowski Eversheds

Tier 4

Beiten Burkhardt P Daszkowski
Gide Loyrette Nouel
Gleiss Lutz
Hogan & Hartson Jamka
Miller Canfield Paddock and Stone
Nörr Stiefenhofer Lutz
Squire Sanders Swiecicki Krzesniak

Though some have commented that Poland's banking system has been holding up better than counterparts in some neighbouring jurisdictions, raising debt is not easy. One partner

says: "The credit market is a problem, really. I've just visited eight banks looking for loans for clients in the range of €30 million to 200 million. On spot deals like these, not one of them is willing to enter into arrangements without handling things as a club deal."

The slow-down in lending first hit in September 2008, and firms comment that a lot of their work between that time and Q3 2009 has involved the restructuring of existing loan facilities, acting either for banks or for borrowers in negotiations following breaches of covenant.

Allen & Overy A Pedzich

Despite the slow-down felt in the bank lending business in Poland through 2009, the firm's banking team has continued to act on some good deals, no doubt largely due to its powerful reputation.

One stand-out mandate saw the firm advise ABN Amro Bank (Polska) and ING Bank Śląski on a Z1300 million (€67 million) credit facility for Jerónimo Martins for the acquisition of Plus Discount, the owner of one of Poland's large supermarket chains.

One big-ticket client who has worked with the firm for several years describes it in these terms: "We would never work with anyone else. They're co-operative, proactive and pay serious attention to detail, as well as getting things done on time."

Though the general volume of acquisition finance fell over 2009, the firm advised on a number of deals – including Bank Polska Kasa Opieki on a Z1200 million facility for TVN, Empik Centrum Investments on a Z1120 million financing facility and PKO Bank Polski on a Z11.2 billion financing for the acquisition of a company listed on the Warsaw Stock Exchange.

Leading lawyers

Tomasz Kawczynski
Arkadiusz Pedzich

Clifford Chance Janicka Namiotkiewicz Debowski i Wspólnicy

The firm had a very busy year, acting on some big-ticket and highly technical deals for an interesting range of clients. One structured finance project saw the team advising Bank Pekao on the securitisation of a portfolio of corporate non-performing loans with a total value of Z11.46 billion (€328 million), which was divided into two tranches. This was the largest-ever NPL securitisation in the country, and was an opportunity for the firm to showcase its ability to step in and handle extremely challenging mandates.

Also on the finance side, the firm advised Kerten Investments as sponsor in connection with senior facilities provided by Bank Pekao and mezzanine facilities provided by Syntaxis Capital for the acquisition of SKS Pipes and Kisan.

Like most jurisdictions, Poland has seen an increase in debt restructuring work. Clifford Chance was recently brought in by the Ciech Group, a European chemicals leader comprising more than 30 companies, to advise on debt restructuring and to prepare the optimal debt structure. The final deal had to take into account the replacement of around 60 facilities with a single club structure.

Leading lawyers

Grzegorz Namiotkiewicz
Jan Zdzenicki

CMS Cameron McKenna Dariusz Greszta Spółka Komandytowa

The 14-strong banking and finance department at CMS's Warsaw office is one of the largest dedicated teams of its kind among international firms operating in Poland. Marek Król's team had a busy year working on some large mandates, and the firm moves up to tier two this year following a shift in market sentiment.

One deal saw Dominika Uberman act for Globe Trade Centre, a large developer of commercial real estate, on the €90 million refinancing of an investment loan taken out at Aareal Bank by one of its subsidiaries – GTC Galeria Kazimierz.

Another notable deal also involved the adjustment of an existing facility, but with the firm acting for the lender. Uberman and Magdalena Brzozowska advised Bank Pekao on amendment of the financing structure for four residential projects in Warsaw and Gdansk, realised by the Pirelli Group. The financing, offered by Pekao and a consortium of lenders, totalled Zł644.5 million (€144 million).

Leading Lawyers

Marek Król
Dominika Uberman

Dewey & LeBoeuf Grzesiak

Dewey & LeBoeuf Grzesiak has a dual practice: banking and finance, led by Andrzej Wysokinski, and investment funds, led by Artur Zapala. This dual specialisation stands the firm in good stead in Poland, where private-equity activity – though temporarily down in 2009 – is an important aspect of the economy.

In financings, the team acted for Syntaxis Capital on its provision of €17 million of

mezzanine financing for Etos, as well as for Bank Pekao on its funding of €38 million for Kolbet for acquisition of shares in Goczalkow.

Zapala's investment funds practice showed its strength when the firm acted for Société Générale Asset Management in the form of Société Générale Asset Management Alternative Investments TFI (SGAM AI), which intends to form SGAM AI Eastern Europe Private Equity FIZ, a closed-end private-equity investment fund. This mandate, which created the first fund of its kind in Poland, showed Zapala's ability to innovate in the face of complex structural requirements.

Leading lawyers

Jaroslav Grzesiak
Andrzej Wysokinski
Artur Zapala

Linklaters C Wisniewski i Wspólnicy

Linklaters has held its place as a high-ranking firm when it comes to the bank-lending market, advising high-profile lenders and lead arrangers on big-ticket deals.

Jaroslav Miller's banking team has been working on some notable deals for Bank Pekao. In one, they advised Pekao as MLA on a complex, multi-borrower property financing. The loan totalled €70 million and was an early example of the innovative work firms have had to do in the face of the credit crunch. In another, the team advised Pekao, again as MLA, on a multi-jurisdictional €45 million corporate and acquisition financing, which involved Linklaters lawyers from offices in Sweden, France, Germany and the UK.

One recent banking client singles out Miller for praise: "He's someone I feel incredibly confident in after the work they did for us. He's skilful, resourceful and highly organised."

Another acquisition finance mandate involved advising Kulczyk Holding on the financing of a purchase within northern Poland's rail transportation industry. One of the few big M&A deals of early 2009, this involved limited-recourse arrangements and complex security and business packages.

Leading lawyers

Jaroslav Miller

Norton Rose Piotr Strawa and Partners

Norton Rose moves up to tier two this year due to strong peer and client recommendations, not to mention its impressive deal sheet. The firm's banking and finance team, led by Grzegorz Dyczkowski, has been acting on a good range of mandates.

It advised ABN Amro and ABN Amro Bank (Polska), who were acting together with Bank Polska Kasa Opieki and Bank Zachodni on a €110 million multi-currency term facility extended to a large regional fast-food chain.

On the banking-regulatory side, Dyczkowski and team advised HSBC Bank Polska on a number of issues related to outsourcing and its consumer finance business, as well as on the standardising of documentation for its mortgage-lending activities.

In Q1 2009, the firm advised Rel Ibis, a subsidiary of ING Bank Slaski, on the €23.5 million refinancing facilities extended to subsidiaries of the Panattoni Poland commercial real-estate development group.

Weil Gotshal & Manges

Continued growth and competitors' recommendations have seen Weil Gotshal & Manges' banking department rise to tier two this year. Artur Zawadowski's team have had a good year, acting for high-profile clients including Netia, Bank Zachodni WBK, HSBC and BRE Bank.

One deal saw them advise Värde Partners Europe on the assignment of a €260 million non-performing loan portfolio to a fund managed by Copernicus Capital from Bank Pekao.

Another involved advising Bank Zachodni WBK on a large financing extended to Blue Office for the acquisition of two non-residential buildings, the construction costs for both and VAT payments.

One innovative deal saw the team advise Monitor Clipper Partners as holding company and Reverse Logistics on financing provided by Bank of Ireland for the acquisition of the entire issued share capital of VfW.

Leading lawyers

Pawel Rymarz
Artur Zawadowski

White & Case W Danilowicz W Jurcewicz i Wspólnicy

White & Case's banking and finance team has been acting on some big-ticket deals on both the borrowing and lending sides, as well as offering regulatory advice to some high-profile clients and acting in large restructurings.

One loan instruction on the borrower side saw the firm advise Eurosugar on a €50 million syndicated revolving credit facility put in place to refinance existing credit lines.

The team has also been busy advising banks on their currency option transactions. One of these mandates saw the firm prepare a memorandum covering ABN Amro Bank (Polska)'s receivables arising under their cur-

rency option transactions, their nature, the best way of dealing with them from the bank's perspective, their conversion into credit facilities and the legal security of repayments.

In another deal that demonstrates their impressive client list, the firm gave advice to Dresdner Bank Polska on Polish legal implications of their merger with Commerzbank.

Leading lawyers

Jacek Czabanski
Piotr Galuszynski
Lech Gilicinski

Other ranked firms

Baker & McKenzie Gruszczynski i Wspólnicy's banking team had a reasonably busy year, acting for both borrowers and lenders. In lending, they advised regular client Bank Zachodni WBK on the €35 million financing and refinancing of the development of an office complex in Warsaw. On the borrowing side, the firm acted for Izpol Management on the financing of their €22 million acquisition of 100% of the shares of Business Management Group-Zespól.

The banking and finance team at **Gide Loyrette Nouel** have been busy with a good range of mandates over the last 12 months. One deal saw the firm advise the Council of Europe Development Bank on the €50 million facility granted to Raiffeisen-Leasing Polska. On the banking-regulatory side, Deutsche Bank PBC called on the firm to advise them on the development of a new banking product connected to insurance.

Lovells H Seisler's banking team, led by Piotr Zawislak, have been acting on some big-ticket deals. They advised Bank Pekao as agent of a €130 million syndicated loan facility for the building of a shopping centre in Poznan, as well as Raiffeisen Bank Polska on the €44.6 million financing of construction of the Hilton hotel in Wrocław.

Squire Sanders Swiecicki Krzesniak's banking practice, headed by Peter Swiecicki, has been working on some notable deals, including the representation of Columbia Capital, MIC Venture Partners and Innova Capital on the Polish side of a pan-European leveraged senior and mezzanine financing, and restructuring financings for the acquisition of GTS, a CEE telecoms company.

Wardynski & Partners advise a broad range of clients on banking, finance and financial-regulatory matters. Their client list includes Crédit Agricole, Rabobank, Tesco (Polska), Commerzbank and Bank of Scotland Corporate. One deal saw the firm advise IK Investment Partners on a €90 million-plus financing of the leveraged buy-

out of a Polish rail vehicle device manufacturer. Another involved providing regulatory advice, including the drafting of contractual and operational documents, to Credit Suisse on entering the Polish banking and investment services market.

Leading lawyers: Jan Nowicki

Other notable firms

Chadbourne & Parke Radzikowski Szubielska i Wspólnicy's banking team have been busy acting for both borrowers and lenders over the last 12 months. On the lending side, they have been advising Bank Zachodni WBK on financings for various real-estate acquisitions. On the borrow side, they represented Mondni Swiecie, a leading pulp and paper production company, in negotiations for a credit facility exceeding Zł474 million (€107 million) from the European Investment Bank.

Wiercinski Kwiecinski Baehr's banking and finance team, led by Andrzej Wiercinski, has been developing over the past year and doing some solid work. It advised Bank Millennium on the establishment of security collaterals relating to an intra-group restructuring and an intra-group merger. Another deal saw the team advise the UK treasury on acquisition and restructuring issues within RBS Group's Polish operations, in connection with the treasury's recapitalisation provisions.

Mergers and acquisitions

Recommended firms

Tier 1

Dewey & LeBoeuf Grzesiak
Weil Gotshal & Manges

Tier 2

Baker & McKenzie Gruszczynski i Wspólnicy
Clifford Chance Janicka Namiotkiewicz
Debowski i Wspólnicy
Linklaters C Wisniewski i Wspólnicy
Sołtysinski Kawecki & Szlezak
White & Case W Danilowicz W Jurcewicz i Wspólnicy

Tier 3

Allen & Overy A Pedzich
Chadbourne & Parke Radzikowski Szubielska i Wspólnicy
CMS Cameron McKenna Dariusz Greszta Spółka Komandytowa
Domanski Zakrzewski Palinka
Gessel
Gide Loyrette Nouel
Lovells H Seisler
Norton Rose Piotr Strawa and Partners
Salans
Wierzbowski Eversheds

As a clear result of the global financial downturn, M&A dropped off steeply in September 2008 according to many partners – largely because private-equity funds slowed their activity down dramatically due to fast-shifting prices and the risk-averse attitudes of lenders.

However, in Q2 2009 one partner said: "The market index has risen 40-50% since December and now private equity funds are complaining the prices are too high already. It could be they feel they missed the boat."

It hasn't been all doom and gloom for the legal market. Firms have been seeing activity from strategic investors who are either cash rich, ready for their next move, or both. There has also been a good flow of work for firms' corporate teams as companies have reorganised themselves internally to move through the downturn and beyond.

Dewey & LeBoeuf Grzesiak

Dewey & LeBoeuf's M&A team, led by Lejb Fogelman and Jaroslaw Grzesiak, has a formidable market reputation, backed up by their client list.

One obvious example of this is the firm's work for AIG Credit Facility Trust – an entity affiliated with the Federal Reserve Bank of New York – on Polish aspects of its takeover of AIG.

Another large-scale mandate involving bank buyouts saw the team act for BNP

Paribas on the Polish side of its acquisition of Fortis and Dominet Bank, which is the Polish banking arm of Fortis.

Yet another deal, this time a buy-side acquisition mandate, involved advising Torfarm, a listed pharma distributor, on its direct and indirect €36 million acquisition of Prosper.

Leading lawyers

Lejb Fogelman
Jaroslaw Grzesiak

Weil Gotshal & Manges

Weil Gotshal's corporate/M&A team, led by Pawel Rymarz, holds on to its tier one position following another highly active year in the market.

At the end of 2008 Rymarz headed the firm's advise for Petrolinvest on a number of investments totalling €430 million in companies holding licences in Kazakhstan for oil exploration and/or extraction.

In another deal, Artur Zawadowski led when the team advised Asseco Poland, Prokom Software and Prokom Investments on a share-exchange merger through the acquisition of Prokom Software by Asseco Poland. Following that, the team assisted Asseco and ABG, the Warsaw-listed IT firm, on their merger plan.

Another notable deal saw the firm act for the shareholders of Polkomtel on their €726 million acquisition of 14.81% of the company's shares from TDC Mobile. In a display of tenacity and resourcefulness, Weil Gotshal managed to bring the deal to close after it was blocked for two years by Vodafone Americas, another Polkomtel shareholder.

Leading lawyers

Pawel Rymarz
Piotr Tomaszewski

Baker & McKenzie Gruszczynski i Wspólnicy

Baker & McKenzie Gruszczynski i Wspólnicy's M&A practice has been powering on these last 12 months, especially when it comes to the sale and acquisition of firms in distress.

One deal saw the team represent Kofola Holding in its acquisition of Hellena within bankruptcy proceedings. This involved the takeover of shares in the insolvent company in order to carry out restructuring.

Another mandate, again on the buy side, saw the firm advise Innova Capital on its €20 million acquisition of a majority stake in Bank Wspolpracy Europejskiej, which was subject to banking supervisory proceedings conduct-

ed by the Financial Supervisory Commission. This was the first transaction in which a private-equity fund took over a Polish bank.

Partner Marcin Gmaj is praised by his competitors. As one puts it: "It's a pleasure to work alongside those who are simply intelligent, really think about the issues and know how to distinguish between what is and what isn't important."

Leading lawyers

Marcin Gmaj
Tomasz Krzyzowski

Clifford Chance Janicka Namiotkiewicz Debowski i Wspólnicy

Clifford Chance's corporate/M&A team, led by Agnieszka Janicka, has a reputation for providing assistance of the highest quality to some of Poland's biggest industrial clients. One competitor has this to say about working with her: "She has a really broad range of capabilities and can move smoothly between them. That's very useful in a market like this."

The firm has been acting on a good range of deals. On the buy side, they advised Unilever on its acquisition of a Polish subsidiary of a multinational company, as well as bank PKO BP on its acquisition of 99.92% of the shares of AIG Bank Polska, and 100% of the shares of AIG Credit.

On the sell side, the team acted for Scandinavian group Royal Unibrew on its sale of a Polish brewery to Van Pur, which was concluded as an asset deal. Also, the firm advised Advent International on the sale of Axtone, a leading European provider of rail services and components, to IK Investment Partners.

Leading lawyers

Agnieszka Janicka

Linklaters C Wisniewski i Wspólnicy

Linklaters' corporate team, led by Jolanta Tropaczynska, has a strong reputation, especially among international clients. One recent client has this to say about the team: "Apart from their doing an excellent job, we enjoyed working with them. Their negotiation and drafting skills are excellent. I think we learned something from being around them."

The firm has been working on some big mandates, on both buy and sell sides. One deal that demonstrates the team's ability to shine when it comes to innovation saw them act on the acquisition by Opera TFI of SEB TFI's asset management business operations. This started as a share deal and was finally

structured as an enterprise transfer. It was the first transaction of its kind to be carried out on the Polish market and was worth €22 million, plus a €250 million loan refinancing.

Another notable deal, again on the sell side, involved advising Tele2 on the sale of all shares (preceded by financial restructuring) in the Polish telecoms company by its Swedish-listed owner to Netia, Poland's largest telecoms operator.

Leading lawyers

Jolanta Tropaczynska

White & Case W Danilowicz W Jurcewicz i Wspólnicy

Competitors speak very highly of White & Case's M&A team. One says of leading partner Witold Danilowicz: "He's an extremely smart lawyer, a great negotiator – comfortable in all domestic and international settings."

The team has had a busy year in sales and acquisitions, as well as acting on mergers for high-profile clients.

One deal saw them advise Makhteshim-Agan Holding, the world leader in branded off-patent crop protection systems, in the strategic acquisition of 90% of Rokita-Agro, a Polish agrochemical affiliate of German group PCC. Also on the buy side, White & Case advised Danaher on its acquisition of assets of Grizzly Medical.

In addition to counselling Dresdner Bank with regard to its merger with Commerzbank, the firm acted for First Data Corporation on the merger of the company's two Polish subsidiaries.

Leading lawyers

Witold Danilowicz
Witold Jurcewicz

Other ranked firms

Allen & Overy A Pedzich's corporate/M&A team has had a reasonably busy year, representing buyers, sellers and merging parties on a good range of deals. The firm advised WPP on the acquisition of the remaining 70% stake in Feedback Hill & Knowlton, as well as Deutsche Bank on the €14.2 million sale of Relax Wind Park I and II to Neo. The firm's stand-out deal, though, involved assisting in the merger of two leading Polish Banks, Bank BPH and GE Money Bank, thereby creating one of the country's largest banks.

Leading lawyers: Jaroslaw Iwanicki and Jacek Michalski

Chadbourne & Parke Radzikowski Szubielska i Wspólnicy's corporate/M&A team has been acting on a good range of mandates. On the buy side, it represented

Windstorm Trading & Investments in a potential acquisition of 33% of Bioton, a Warsaw Stock Exchange-listed biotech company. Another deal saw the team advise Nafta Polska – a state-owned company set up to restructure and privatise the oil and heavy chemicals sectors – on matters relating to the privatisation of various chemical companies, including Ciech.

CMS Cameron McKenna Dariusz Greszta Spółka Komandytowa's corporate department, led by name partner Dariusz Greszta, has had a busy year with both buy- and sell-side M&A mandates. The firm advised PCC Rokita on the sale of its Rokita-Agro subsidiary (a leading agrochemical firm) to Makhteshim Agan Industries, and the team was also called on by Tetley Polska for advice on their acquisition of Premium Foods – a Poland-based producer and distributor of tea and food products.

Leading lawyers: Dariusz Greszta

Gessel's M&A team, led by Marcin Macieszczak, has real expertise in handling private equity-driven deals. For instance, the firm advised the Enterprise Investors group on one of the biggest calls on the Warsaw Stock Exchange to date, the €110 million purchase of 43% of shares in Kofola-Hoop. Another notable deal was when the team represented the Polish-American Enterprise Fund in its sale of 100% of the shares of Fundusz Mikro, Poland's largest microfinance institution.

Gide Loyrette Nouel's corporate/M&A team has continued its expansion and been working on a broad range of deals, advising clients on both the buy and sell sides. At the end of 2008, the firm advised the shareholders of LIM Medical Center regarding the company's acquisition by Mid Europa Partners. On the buy side, the team advised Polish Alpha Group, a subsidiary of Enterprise Investors, on the acquisition of 60% of shares in Wema, a chain of ceramic tile and bathroom equipment stores.

Leading lawyers: Rafal Dziedzic

Squire Sanders Swiecicki Krzesniak has had a busy year for M&A work, representing local and international clients in a range of deals, particularly in the telecoms and wind energy sectors. Deals have included representing Columbia Capital, MIC Venture Partners and Innova Capital in the Polish part of the pan-European acquisition of GTS, a CEE telecoms company with its largest operation based in Poland. The team also advised a leading Polish telecoms company on the restructuring of its fixed assets through a sale-lease-back.

Other notable firms

Garrigues' M&A team, led by Jaime Fúster Rufilanchas, has been active on several mergers between foreign investors and Polish groups, and cross-border acquisitions over the last 12 months. One deal saw the firm assist Taiga Inversiones Eólicas, who specialise in wind energy investments in Poland, on all of the necessary funding, regulatory, corporate/M&A and contractual elements of their current portfolio activities.

Wardynski & Partners has had a busy year in terms of corporate/M&A activity, acting in a variety of deals. One involved giving transactional support to Henkel in the process of its €22 million purchase of the Polish adhesives arm of ICI following its acquisition by Akzo Nobel. Another deal, which demonstrates the firm's ability to adapt to a troubled market, involved advising on the acquisition by ArcelorMittal Poland of a 49% minority stake in the WBG Batory steel mill from the bankruptcy receiver of Huta Batory.

Project finance

Recommended firms

Tier 1

Allen & Overy A Pedzich
CMS Cameron McKenna Dariusz Greszta Spółka Komandytowa
Wardynski & Partners

Tier 2

Clifford Chance Janicka Namiotkiewicz
Debowski i Wspólnicy
Weil Gotshal & Manges

Tier 3

Baker & McKenzie Gruszczynski i Wspólnicy
Chadbourne & Parke Radzikowski Szubielska i Wspólnicy
Dewey & LeBoeuf Grzesiak
Linklaters C Wisniewski i Wspólnicy
White & Case W Danilowicz W Jurcewicz i Wspólnicy

Tier 4

Gide Loyrette Nouel
Gleiss Lutz
Hogan & Hartson Jamka
Lovells H Seisler
Nörr Stiefenhofer Lutz
Norton Rose Piotr Strawa and Partners
Salans
Soltysinski Kawecki & Szlezak

It would be easy to assume that the slowdown in bank lending would cause project and infrastructure financing to come to a grinding halt, but that hasn't been the case in Poland.

Bank lending has slowed down and financial institutions are less likely to jump into

syndicates on highly-g geared project financings, but the willingness of regional development banks and export credit agencies to act as mandated lead arrangers in, mostly, club deals has meant that project finance activity, including the use of PPP structures, has rolled on through 2009.

There have also been some encouraging infrastructure-driven municipal bond issuances, including those for the city of Warsaw and the Agency for Development of Mazovia.

The A1 and A2 motorway financings closed in 2009, as well as financings for coal-fired and renewable energy projects.

Allen & Overy A Pedzich

Allen & Overy A Pedzich advised the European Investment Bank, the Swedish Export Credit Corporation and the Nordic Investment Bank on Phase 2 financing of the A1 motorway project. This should be taken as an indicator of where the firm sits in the market, as multilaterals such as regional development banks and export credit agencies tend only to work with firms that are reckoned to be at the top of their game.

Leading lawyers

Tomasz Kawczynski
Arkadiusz Pedzich

CMS Cameron McKenna Dariusz Greszta Spółka Komandytowa

CMS Cameron McKenna is one of the leaders in project finance on the Polish market, with a capacity that boasts the involvement not only of the banking and international finance team but also the dedicated energy projects and construction team, who handle the non-finance side of deals. This, judging by the stature of the mandates they attract, is a winning combination.

Late in 2008, the team assisted Grupa Lotos with the financing for an upgrade of their oil refinery in Gdansk. This was a second-stage financing and the team ran a funding competition in a tough credit climate, managing to attract a club of 17 lenders to invest \$2.15 billion (€1.5 billion).

Another deal saw the firm advise the Gdansk Transport Company as concessionaire on the construction and operation of the Gdansk-Torun section of the A1 motorway, which is run on a PPP formula – the relevant part of the financing totalling €1.07 billion.

The firm has also been giving continuing legal advice to Zakłady Azotowe Kedzierzyn on the arrangement of the €1.4 billion financing for the construction and operation

of a new energy plant based on carbon-capture and storage technology.

Leading lawyers

Andrzej Blach
Andrew Kozlowski

Wardynski & Partners

Wardynski & Partners' project finance team, led by Jan Nowicki and Lukasz Szegda, advises on some of the country's biggest project and infrastructure financings.

Two notable deals relate to the financing of wind farm projects. In one, the firm advised Megawatt Baltica on a €112 million credit facility granted by Banco Millennium BCP Investimento. The other saw the firm advise another subsidiary of Global Renewable Power International, Megawind Polska, on a €6.7 million facility offered by Banco Espírito Santo de Investimento.

In another high-profile matter, the team advised the General Directorate for National Roads and Motorways in connection with financing of the A1 motorway construction project.

Leading lawyers

Jan Nowicki

Clifford Chance Janicka Namiotkiewicz Debowski i Wspólnicy

Clifford Chance has a formidable international reputation when it comes to project finance advice. As a result, it tends to attract attention when clients are looking for assistance on large projects. The firm's team, led by Grzegorz Namiotkiewicz and Jan Zdzenicki, has the ability to advise lead arrangers on a broad range of financing structures.

The firm was busy with renewable energy work this year, and wind farms in particular. One deal saw it advise Mitsui and J-Power on development and financing for a wind-power park in northern Poland.

Two well-known Spanish banks also turned to the firm for advice on syndicated credit facilities for the development of wind plants in Poland by Spanish sponsors.

Another renewables mandate came their way when a UK investor approached the firm for advice on development and financing of several potential projects across Poland.

Leading lawyers

Jan Zdzenicki

Weil Gotshal & Manges

Weil Gotshal's powerful finance team, led by Artur Zawadowski, has been working on some high-profile deals in the world of project and infrastructure finance.

In energy finance, one stand-out deal saw Zawadowski and team advise Koziencice II, a subsidiary of Enea, on the €1.5 billion financing for the construction of a new power plant near the existing one at Koziencice.

The firm also advised HSBC Bank Polska on a bond issue by the Agency for Development of Mazovia, secured by the Mazowieckie Voivodeship, in combination with the floating of the bonds on a parallel market of the Warsaw Stock Exchange. These municipal project bonds were issued to finance infrastructure improvements in the region.

Other ranked firms

Linklaters C Wisniewski i Wspólnicy's project finance practice has had a good year, especially when it comes to advice on oil projects. One deal involved advising the lenders' consortium on the multi-billion-euro financing of the comprehensive technical upgrade programme at Grupa Lotos's biggest oil refinery in Gdansk. Another mandate saw them advise Petrobaltic, Poland's largest oil extraction company, on financing of an investment into new extraction capabilities in the Nordic Sea region.

Norton Rose Piotr Strawa and Partners has stepped into the rankings this year following its advice to KBC Finance Ireland and Kredyt Bank on their senior €57 million financing of a 41.4MW wind farm in Suwalki, sponsored by RWE. Closing the financing took several months and involved restructuring of the commercial deal in response to effects of the global downturn.

Squire Sanders Swiecicki Krzesniak worked on two of the largest deals in the region over the last year, including representing Autostrada Wielkopolska on financing negotiations for the A2 toll motorway project, which was one of the largest financings on the market in 2009.