

# Norway

## Chamber of commerce:

Oslo Chamber of Commerce  
 Drammensveien  
 PO Box 2874  
 Solli  
 0230 Oslo  
 Norway  
 Tel: +47 22 55 74 00  
 Fax: +47 22 55 89 53  
 Email: mail@chamber.no  
 Web: www.chamber.no

## Professional body:

Norges Juristforbund  
 Juristenes Hus  
 Kristian August sgt 9  
 0164 Oslo  
 Norway  
 Tel: +47 22 03 50 50  
 Fax: +47 22 03 50 30  
 Email: njpost@jus.no  
 Web: www.jus.no

## Developments in Norway's stock exchanges and EU harmonization

Dag Erik Rasmussen and Bernt Olav Steinland  
 Advokatfirmaet Selmer  
 Oslo

The Norwegian financial markets have experienced continuous economic growth for the last four years. The value of shares listed on the Norwegian Stock Exchange, Oslo Børs (OSE) rose nearly 350% between February 2003 and December 2006. The extensive trading activity is partly due to increased interest in investing in Norwegian companies and industry from both domestic and international investors. This trend has prevailed in most sectors. However, record high oil prices have been the most influential factor in the OSE's economic development.

Companies listed on OSE raised over Nkr56 billion (€6.88 billion) through share issues in 2006, the best year ever for capital raising, as a result of favourable market conditions. Moreover, 32 companies were listed on OSE in 2006, while 22 companies were deleted as a result of mergers or acquisitions. Of the companies listed this year, 35% were related to the oil sector.

While the activity of the Norwegian financial markets has reached historically high levels, there have also been legislative developments in stock exchange and securities law. An overview of the most important developments is presented below.

### Significant M&A deals

#### *Merger of Statoil and Norsk Hydro*

Companies related to the oil and gas sectors have been driving economic developments in the Norwegian financial markets. However, the competitive conditions in this market are about to change as the boards of the largest oil and gas companies listed on OSE, Statoil and

Norsk Hydro, have recommended merging Statoil with Norsk Hydro's oil and gas activities.

The Norwegian government is a substantial shareholder in both companies, and a proposition regarding this merger has been presented to the parliament. The government will have a shareholding of about 62.5% in the merged company. Following the parliament's decision in 2001 that the government holding in Statoil should be at least 67%, and with the white paper on state ownership presented in December 2006, the government intends to increase the state shareholding in the merged company to 67%.

#### *Merger of VPS Holding and Oslo Børs Holding*

The competitiveness of the Norwegian securities market depends on offering products, functionality and prices that are attractive both nationally and internationally. Both the Norwegian Central Securities Depository (VPS) and OSE have developed over recent years as the Norwegian capital market has grown. The boards of directors of VPS Holding and Oslo Børs Holding have now proposed that the two companies be merged. If the merger is approved, it is intended to come into effect in September 2007.

#### **Oslo Axess – a new authorized marketplace**

Oslo Børs obtained authorization in December 2006 to establish a new marketplace for shares. It will be known as Oslo Axess. Feedback from the market is positive and a number of companies have indicated that they plan to be listed on Oslo Axess, which opened for business in May 2007.

Oslo Axess is a marketplace for companies that do not meet the requirements for listing on Oslo Børs. The distinction between the two markets primarily consists of Oslo Axess's less stringent listing requirements with regard to a company's history, commercial development and number of shareholders. Companies on Oslo Axess will have access to

the same infrastructure and stock exchange expertise, and the investor base will be virtually the same.

#### **Norwegian securities legislation – implementation of EU directives**

The legal framework for administering the Norwegian financial markets encompasses acts passed by the parliament, with secondary regulations from the Ministry of Finance and the Financial Supervisory Authority of Norway. The Securities Trading Act contains rules on licensing investment firms and clearing houses, together with rules on their activities, and general trading rules. The Stock Exchange Act and Regulations, together with the OSE Listing Rules and the Bond Rules, set out the requirements and procedures for listing shares, primary capital certificates and bonds on OSE. OSE has also established rules and business terms for price quotation, as well as for the rights and obligations of issuers of listed financial instruments and members of the stock exchange.

Norway is part of the European Economic Area (the EEA); thus EU directives designed to harmonize corporate finance regulations and securities law within the EU/EEA have to be implemented in Norwegian legislation.

The Securities Trading Act implements the EU Investment Services Directive, the EU Market Abuse Directive, the EU Disclosure Directive and the EU Prospectus Directive. The Markets in Financial Instruments Directive (Mifid), has replaced the Investment Services Directive. Mifid was adopted on April 21 2004. A proposal for a new Securities Trading Act and a new Act on Regulated Markets has been presented to the parliament. The proposed regulations would implement Mifid, the Takeover Directive, and the Transparency Directive.

Norwegian law already features regulations that, in the main, fulfil the objectives on which the three directives are based. However, the level of detail in the directives and the aim

of harmonization in the EU/EEA mean that in many areas the Norwegian legislation must be amended. Mifid in particular entails changes in the regulation of investment services. The range of investment services that require a licence is extended to cover even more financial instruments than before, for example commodity derivatives.

The implementation of Mifid in Norwegian legislation is comprehensive. However, most lawyers seem to agree that both the Norwegian regulators and the market are well prepared to cope with Mifid. The new legislation implies increased opportunities for investment firms and authorized marketplaces to conduct their business within the EU/EEA, on the basis of licences from their home countries.

The main rules of the Transparency Directive and the Takeover Directive have already been fulfilled in Norwegian law, but here too, the detailed regulation will demand further adaptations. The entry into force of these new implementing measures in Norway is expected to be in or about November 2007.

## Capital markets

### Recommended firms

#### Tier 1

BA-HR  
Thommessen  
Wiersholm  
Wikborg Rein

#### Tier 2

Schjødt  
Selmer

#### Tier 3

Arntzen de Besche  
Steenstrup Stordrange  
Haavind Vislie

May 2007 saw the grand opening of the Oslo Axess exchange in Norway. Similar to London's Alternative Investment Market, Oslo Axess is designed for companies that do not meet the requirements for listing on the Oslo Stock Exchange (OSX) but which want to list their shares on a regulated market. At time of writing, 13 firms have listed on the new exchange with interest touted to come from smaller oil and rig companies in the future.

Firms say they're also flat out working on listings on the OSX. At time of writing, 46 companies had listed on the exchange - which has translated to plenty of work for all Norwegian firms.

Elsewhere, Norway's prosperous oil and gas industry has led to a renewed interest in the Norwegian bond markets from foreign companies looking for an alternative to the US high-yield market. Interest in covered bonds was also rising this year following Norway's adoption of favourable new regulations in June.

### BA-HR

While BA-HR is not the largest firm in the top tier, it is one of the most respected. "They're very good and pleasant to work with," said a rival partner.

Øyvind Eriksen is singled out by the market for his outstanding skills on capital markets deals. "He's very good on structuring transactions and absolutely brilliant in creating dividend possibilities for clients," one competitor said. Partners Finn Myhre and Terje Sommer were also notable this year for their involvement in the amendment of Norway's securitization and covered bonds legislation.

The firm showed its debt capital markets expertise when it acted for Sevan Drilling on a Nkr1 billion (€124 million) bond issue. The firm also acted on a further \$140 million bond issue by Sevan, as well as a number of other \$100 million-plus bonds on the issuers' side. BA-HR showed its flexibility by being mandated to act on the underwriter's side on bond issuances, with clients including Pareto Securities, Swedbank and First Securities.

BA-HR is also well regarded for its equity capital markets skills. Highlights for the year include acting for Aker Drilling on a Nkr2.5 billion share issue and an Nkr800 million convertible bond issue, advising Wavefiled Inseis on a Nkr2.1 billion equity issue and secondary sale and guiding SEB Enskilda and Pareto Securities in AGR Group's Nkr1.3 billion share issue and secondary sale.

#### Leading lawyers

Øyvind Eriksen  
Finn Myhre  
Svein Gerhard Simonnaes  
Terje Sommer

### Thommessen

Thommessen's capital markets team has again kept its position in the top tier after recording a strong year on the equity capital markets. The team is headed by Hans Cappelen Arnesen and backed up by Kim Dobrowen, who are both praised by the market for their outstanding transactional skills.

"They are exceptional lawyers," said one competitor. "They're thorough, reliable and

we like seeing them on the other side of a deal."

The firm was very active in the initial public offering (IPO) market this year, acting on 16 out of the 32 Norwegian IPOs in 2006. The highlight was a role advising the banks on the Nkr7.1 billion IPO of Renewable Energy Corporation - the largest Norwegian IPO in 2006. Thommessen was mandated again five months later to act for Austevoll Seafood on its Nkr6.9 billion IPO, and also worked on the flotation of Eitzen Chemicals, Northland Resources and BW Offshore.

Thommessen showed it wasn't a one-trick pony by landing a role representing JPMorgan and SEB Enskilda on Aker Yards' Nkr4.6 billion secondary share sale. The firm also guided CorrOcean its Nkr1.3 billion combined private placement, rights issue and bond offering to finance the acquisition of Roxar.

#### Leading lawyers

Hans Cappelen Arnesen  
Kim Dobrowen  
Kai Thøgersen

### Wiersholm

Wiersholm has recorded another strong year in the capital markets, with partners Knut Bergo and Sverre Sandvik noted by clients as making the step up following Erik Thyness's move to managing partner in 2006.

The firm was particularly active in equity capital markets this year, advising Faktor Elendom on its Nkr1.8 billion IPO and guiding the banks on ElectroMagnetic GeoServices' Nkr10.7 million IPO.

Wiersholm was also active outside in secondary equity work, such as advising the purchaser, utilities company Hafslund, on the Nkr4.83 billion secondary placement of shares by Renewable Energy Corporation.

Debt capital markets work was another active area for Wiersholm. Erling Lind advised B2 Holding and Sealift on bond issues, while Knut Bergo advised Petroprod on a \$150 million bond loan in January 2007.

#### Leading lawyers

Knut Bergo  
Sverre Sandvik

### Wikborg Rein

Wikborg Rein has comfortably held onto its position in tier one after overwhelming support from peers and clients. "They're gradually getting ahead of the other firms and increasing rapidly in size," said one rival partner.

Arne Didrik Kjørnaes heads the capital markets department and received wide praise

from the market. "He's a brilliant lawyer and works on a lot of big transactions," said a competitor.

Ketil Bøe was also singled out by market commentators for his skill in capital markets work. "He is experienced, practical and it's comfortable to work with him," said a rival. Einar Greve was also noted by the market as an "excellent stock exchange securities lawyer".

#### Leading lawyers

Ketil Bøe  
Arne Didrik Kjørnaes  
Einar Greve

### Schjødt

Schjødt boosted its practice this year with the addition of Jo Stokke from Nordea Bank's legal department in May 2007. Stokke joins a team which had a solid transactional year, working on a range of debt and equity deals.

The firm was heavily involved on the equity side this year, acting on a number of IPOs and equity issues. Schjødt's highlight listings included acting for Fred Olsen Production on its Nkr1.5 billion initial offering and guiding the underwriters on Algeta's Nkr700 million IPO in early 2007. Elsewhere on the equity side, the firm advised Ferd Private Equity on a Nkr4 billion equity issue late in 2006.

Schjødt has a close relationship with Pareto Securities for debt capital markets work, acting for the company on several \$100 million-plus bond loans for ship and rig financing activities. The firm was also mandated by BNP Paribas for the issue of two separate €70 million notes packages under a Euro medium-term notes programme.

#### Leading lawyers

Erling Christiansen

### Selmer

"They're very good," said one client about Selmer's capital markets practice. "They're quick to come back, professional and give sound advice."

Selmer's equity capital markets team has undergone a rapid expansion, with the firm recruiting eight associates and one senior associate since August 2006. The equity team is headed by the well regarded Dag Erik Rasmussen and has acted on a number of IPOs and listings on the OSX in recent years.

The firm was very busy this year, acting for Reservoir Exploration Technology on a Nkr1.2 billion IPO, Pertra on a Nkr1.6 billion IPO and guiding Rem Offshore on its Nkr1.6 billion IPO. Selmer also advised

Master Marine on its Nkr1 billion secondary placement of shares and bonds in May 2007.

Selmer's debt practice forms part of its banking, finance and insurance department which has a close relationship with ABG Sundal Collier. The firm acted for the investment company on a number of bond loans, including a Nkr1.3 billion senior unsecured convertible bond issue by Petrobank Energy & Resources and a Nkr750 million bond loan issued by Aker Biomarine.

#### Leading lawyers

Dag Erik Rasmussen

## Banking and project finance

### Recommended firms

#### Tier 1

BA-HR  
Thommessen  
Wiersholm  
Wikborg Rein

#### Tier 2

Schjødt  
Selmer  
Vogt & Wiig

#### Tier 3

Arntzen de Besche  
Kluge  
Simonsen

Norway's banking sector is travelling in top gear due to a boom in the oil and gas sector and the discovery of significant underinvestment in the Norwegian resources industry. Norway's position as one of the world leaders in net oil exporting has increased interest in the country's shipping and oil rig industries, with their financing one of the main drivers of the bank lending market.

The past year has also seen a lot of consolidation of loan facilities and refinancings, particularly in the rig financing field. But most of the country's financing work consists of existing owners looking to fund the purchase of more rigs.

"We've picked up a fair share of work this year, and frankly we can't recall ever being so busy," said one partner.

### BA-HR

Traditionally working on the borrower's side, BA-HR has begun to represent lenders following Richard Sjøqvist's arrival in January 2006. The firm advised the banks on more than 20 syndicated transactions in the last 12 months in connection with acquisition, asset and property financings.

One of the firm's standout roles was acting for DnB NOR on a Nkr2.5 billion (€315 million) facility for Seadrill's acquisition of Eastern Drilling. The firm again advised DnB NOR on the Nkr3.3 billion financing of Aktiv Kapital's acquisition of international debt portfolios.

BA-HR advised Swedbank on Aberdeen Property Fund's Nkr1.85 billion property finance facility and also acted for the Bank of Scotland on a Nkr300 million oil field asset financing.

The firm didn't abandon its traditional client base of borrowers though, with a notable role acting for the Hurtigruten Group on a Nkr3.3 billion refinancing. It also guided Aker Kvaerner on the refinancing of its debt.

BA-HR was active on acquisition finance transactions, guiding Reitangruppen on the financing of its purchase of Hydro Texaco petrol stations and advising Hitec Private Equity on acquisition finance loans.

The firm's regulatory arm was busy as well, assisting banks such as Deutsche Bank and Western Union Bank in securing approvals for new branches in Norway.

Partner Finn Myhre is singled out by peers for his long experience in the Norwegian finance industry. "He's very good at most activities in the financing industry," said one rival partner.

#### Leading lawyers

Finn Myhre  
Terje Sommer

### Thommessen

Thommessen's banking team took a hit this year when Even Bratsberg departed to an in-house position. The firm has responded by promoting shipping finance specialist Siri Wennevik to partner level. Wennevik has a strong profile in the market, and is praised by peers for her transactional skills.

"She's very capable, understands the issues and doesn't haggle around with unimportant issues," said a partner at a rival firm.

Thommessen is seen as one of the heavyweights of the banking industry in Norway, acting on a range of acquisition, asset and project financing transactions.

"They're extremely busy but very committed," said one client. "They're available around the clock, efficient and down-to-earth."

One of the firm's transactional highlights was acting for DnB NOR on the financing of Pan Fish's acquisition of Marine Harvest and Fjord Seafood. Thommessen subsequently acted on the refinancing of the entire fish farming group in April 2007.

Thommessen was again mandated by DnB NOR on the financing of three rig projects; the \$775 million Aker Drilling project; the \$800 million Eastern Drilling project; and the \$430 million Ocean Rig project. The firm also acted for the banks on a large number of ship financing transactions.

The firm also acted for Agder OPS Vegselkap, a consortium owned by Bilfinger Berger, on a public-private partnership (PPP) for the construction of the E18 road between Grimstad and Kristiansand in Southern Norway.

Other notable lending transactions saw Thommessen act for SEB Enskilda on for the provision of a Nkr16 billion term facility to Norwegian Property, and advise the banks on a Nkr5.24 billion multicurrency revolving credit facility to Renewable Energy Corporation in 2007.

On the regulatory side, the firm advised a US and Nordic bank on its transfer from a subsidiary to branch structure, guided a Norwegian industry company on the establishment of a regulated investment firm and provided advice to various private-equity businesses and investment banks on the impact of implementing the EU Markets in Financial Instruments Directive (Mifid) into Norwegian law.

#### Leading lawyers

Hans Haugstad  
Siri Wennevik

#### Wiersholm

Wiersholm continues to occupy the top tier after recording another impressive year working on acquisition, real estate, refinancing and asset financing transactions. The firm is one of the largest in the country – something which clients see as a major benefit.

“They’re very good,” said one client. “They’re large enough to have backup on transactions when the main people are away.”

Wiersholm’s banking practice is headed by Leif Moltke-Hansen, who is supported by the very capable Erik Ramm. Ramm is praised in particular by peers for this wide knowledge and experience on banking transactions. “He’s agreeable, understanding and knows the arguments – he’s a good guy,” said one rival partner.

The firm acted on some significant acquisition finance deals this year, scoring one standout role advising EQT on the £830 million purchase of SSP Group. Wiersholm also advised Eurozeo on the €660 million buyout of Apcoa, a parking management company, in April 2007.

Wiersholm showed its strength in refinancing transactions when it acted for the Aleris Group on a SKr1.37 billion (€147 mil-

lion) general financing facility and a Nkr160,000 refinancing package. The firm backed this up by acting for Fortis Bank on the refinancing of a \$282 million and Nkr658 million facility for Deep Sea Supply’s acquisition of 27 ships.

The firm had a particularly good year working on project financings, winning a role representing the banks on the financing of the Grimstad-Kristiansand PPP project, which was the first in Norway to be awarded a triple-A rating in Norway. The financing included a Nkr3.15 billion senior facility and a Nkr218 million mezzanine facility. Wiersholm was also mandated by Skandinaviska Enskilda Banken for the Nkr1.1 billion construction financing of the Aker headquarters.

Wiersholm worked on some notable asset finance deals this year. The practice advised Ship Finance International on a \$210 million facility for the acquisition of three ships and represented HSH Nordbank on three real-estate financing loans totalling Nkr349 million.

The firm was also active on the regulatory side, with partner Knut Bergo advising on the establishment of Gjensidige Bank and Ya Bank Insurance. Bergo also guided Pareto Securities on its application for a licence for currency trading in October 2006.

#### Leading lawyers

Knut Bergo  
Leif Moltke-Hansen  
Erik Ramm

#### Wikborg Rein

Wikborg Rein is noted by the market as having a strong focus on shipping finance transactions, representing the borrowers in particular. Bernhard Haukali is noted as a leading figure in this area, with many peers noting that he was good to have on the other side of the deal.

“He has a good commercial view, is accurate, has a long experience and knows the banking world,” said one rival partner.

Clients also gave positive reports about Wikborg Rein, with one noting the firm is “good at doing shipping transactions for banks”.

Wikborg Rein has proved its strength in shipping finance by acting on several significant deals this year. The firm acted for Nordea Bank on the \$510 million financing of a Singapore-based shipping business and guided Calyon on the financing of four heavy lift vessels. Wikborg Rein also won a role advising HSH Nordbank on a \$250 million facility for the purchase of a fleet of offshore supply vessels in December 2006.

But the firm also showed its calibre in non-shipping transactions when it acted for DnB NOR on a Nkr3.23 billion facility for the acquisition of gasoline retail distribution companies in Norway and Denmark.

#### Leading lawyers

Bernhard Haukali  
Johan Rasmussen

#### Schjødt

Headed by Jo Stokke, Schjødt’s banking and finance department used its close relationship with Nordea Bank to win numerous mandates on asset and project financing transactions, as well as refinancing facilities. Wilhelm Damm was widely praised by peers for his all-round skill in financing deals.

“He is outstanding,” said one rival partner. “He’s very intelligent and understands what it’s all about.”

Damm led the firm when it represented Nordea Bank on a \$450 million facility for Prosafe in July 2006, which was subsequently increased to \$800 million in December of that year. Damm also advised Nordea Bank on a rig financing facility for Songa Offshore. This involved a \$110 million increase to an existing facility, as well as an additional \$210 million loan in January 2007.

Damm was again involved when the firm advised Nordea Bank on a \$75 million financing of the chemical division of Camillo Eitzen & Co and the \$85 million financing to Bergshav Product Tankers for the purchase of three product tankers.

The firm also won roles away from Nordea Bank, with partner Anne Gro Sundby scoring a mandate advising the borrower Ventelo Holding on a SKr920 million and a Nkr440 million facility in March 2007. Sundby also advised Swedbank on the financing of a €95 million ship financing facility for TRVI Offshore & Icebreaking, and a Nkr4.13 billion mandatory offer guarantee for ABAN International Norway.

Schjødt was also active on the insolvency front, with Joar Grimsbu and Stein Tonning acting on the bankruptcy proceedings of Dåfjord, Trønderkylling, Lamit and Kvalito.

#### Leading lawyers

Wilhelm Damm  
Anne Gro Sundby

#### Selmer

The winner of *IFLR*’s most recent award for the Norwegian firm of the year, Selmer is an exception in the market as it is one of the few firms that do not have a primary focus on shipping finance. The firm spreads its work

across a range of financing transactions and has gathered a lot of praise for its innovative work in the market this year.

Partner Einar Grette is singled out by the market as one of the driving forces behind Selmer's banking and finance practice. Grette advised Entra Eiendom on a Nkr5.6 billion senior secured financing of Entra and acted for REC on its provision of a €140 million facility from Deutsche Bank to finance a joint venture owned by REC, Q Cells and Evergreen.

Selmer's real-estate financing team was very active this year, with one highlight seeing the firm act for First Securities and NRP Corporate on a SKr4.85 billion facility for the establishment of Norwegian Logistic Property in September 2006. The firm also acted for DnB NOR on the establishment of a Nkr11 billion real-estate fund and worked on a SKr1.3 billion loan facility for the acquisition of Swedish property in May 2007.

Refinancing transactions are a further strength of the firm, with Selmer acting for the Jøtul Group on a Nkr710 million refinancing deal and representing Mecom Group on the financing of the acquisition of Orkla Media and its subsequent refinancing in November 2006.

The firm showed it wasn't completely absent from ship financing when it won a role representing Bourbon Maritime on the provision of a €30 million facility from Société Générale. Selmer also acted for DVB Bank on the €70 million refinancing of Songa Drilling.

Selmer has an excellent restructuring and insolvency practice, consisting of experienced insolvency lawyers, public accountants, financial advisors, forensic specialists, and former probate judges and district attorneys. The firm acted on the bankruptcies of Think Nordic, The 5 Percent Community and Sponsor Service, and assisted several financial institutions in complex special engagements matters.

The firm was also prolific on the regulatory side, advising on the establishment of a Norwegian branch for a life insurance company, an investment firm and two securities funds. Selmer also guided Sparebanken Bien on an application to convert a savings bank into a limited liability company.

#### Leading lawyers

Knut Endre  
Einar Grette

#### Vogt & Wiig

Noted by the market as particularly strong on shipping matters, Vogt & Wiig retain its spot in the second tier on the back of strong peer and client recommendations. The firm proved

its commitment to its shipping clients when it opened up an office in Singapore in January 2007. Singapore is a popular office for Norwegian shipping companies due to a favourable tax treaty between the two countries.

Clients see the firm's move as a canny one. "Their Singapore presence is a good move as a lot of banks are interested in doing deals out there," said one client.

The well regarded Erlend Lous has moved out to help build the fledgling office. Anders Monrad has stepped up in his absence and is again pointed out as a rising star at the firm. "He's up to speed and has some features you can detect from his time at Wikborg Rein," said one rival lawyer. "He will try to develop the practice further and will bring on strong competition in the future."

The firm acted on a number of deals for Nordea Bank, including a \$500 million ship financing deal and a \$300 million project financing deal for Arrow Seismic. The firm also guided ING Bank on Telenor Satellite Services' \$400 million acquisition finance facility and represented FSN Capital on the granting of an acquisition financing facility to Norlandia Omsorg.

#### Leading lawyers

Anders Monrad

#### Other notable firms

While Haavind Vislie isn't noted for its visibility on the market, the firm was nevertheless active in bank lending this year.

The firm has a close relationship with Icelandic bank Glitnir Banki, and recently acted for it on the Nkr900 million refinancing of an offshore supply company and on the financing of trawlers and dive equipment. Haavind Vislie also acted for Kaupthing on the Nkr650 million financing of a real-estate acquisition by Nordisk Handel.

## Mergers and acquisitions

### Recommended firms

#### Tier 1

BA-HR  
Thommessen  
Wiersholm

#### Tier 2

Schjødt  
Selmer  
Wikborg Rein

#### Tier 3

Arntzen de Besche  
Steenstrup Storange

The story of the year in Norwegian M&A was without a doubt Statoil's merger with Norsk Hydro. The plan was signed by the board of directors of Hydro and Statoil in March and is expected to be completed in October 2007. The Nkr175 billion (€22 billion) merger will create the world's largest offshore exploration company and is one of the biggest transactions in Europe this year.

Three Norwegian firms managed to score roles on the deal; Thommessen and Wiersholm acted for Statoil and Norsk Hydro respectively, while Selmer advised the Norwegian government. Commentators said the firms' roles on the deal are indicative of their respective market positions.

"It is not random that when Statoil is merging with Hydro, Thommessen and Wiersholm are on the deal," said one partner.

### BA-HR

BA-HR's M&A department is seen as one of the strongest in the country, advising on public tender offers and private-equity buyouts for a range of clients. Despite not winning a role on the Statoil-Hydro merger, the firm is still seen by peers and clients as sitting comfortably in the top tier alongside Wiersholm and Thommessen.

"You never underestimate them as an opponent," said one rival partner. "They have good policy lawyers and they know what they're doing."

One of the firm's standout roles was acting for the Central Securities Depository on its Nkr5.5 billion merger with the Oslo Stock Exchange, while another saw the firm win a mandate to represent Aker BioMarine in its Nkr5 billion takeover of Natural.

The firm was also mandated to advise on some public offers which were subsequently unsuccessful, such as Aban Offshore Group's Nkr8.2 billion offer for Sinvest and Advanced Loading and Production's Nkr3.6 billion offer for APL.

BA-HR was also active in the real-estate acquisition sector, advising clients such as Storebrand, Pareto Private Equity and Linstow.

#### Leading lawyers

Øyvind Eriksen  
Bjørn Gabriel Reed  
Svein Gerhard Simonnaes

### Thommessen

Thommessen's year was characterized by its role advising Statoil on its Nkr175 billion merger with Norsk Hydro. The deal was closely followed by the press and gave the firm's profile in the market a huge boost.

Peers praised the firm for its work on the deal. "They're very good, legally very technical and have impeccable skills," said one rival partner.

The market singled out Kim Dobrowen and Hans Cappelen Arnesen as among the standout lawyers in this field, while Anders Arnkvaern is noted as a rising star in the market.

#### Leading lawyers

Hans Cappelen Arnesen  
Anders Arnkvaern  
Kim Dobrowen

### Wiersholm

Wiersholm retains its spot in the top tier after recording an outstanding year in M&A. The firm's standout work was winning a role advising Norsk Hydro on its Nkr175 billion merger with Statoil. This was the biggest merger in the Norwegian market for some time and created a storm of media interest worldwide.

Wiersholm's role followed a successful stint advising Reitangruppen on its Nkr2.8 billion purchase of Hydro Texaco in October 2006. Other notable transactions include acting for Seadrill in its \$2.4 billion purchase of Smedvig and guiding Pan Fish on its acquisition of Marine Harvest.

The firm was also active in private equity. Wiersholm advised on the sale and acquisitions of companies by various private-equity funds including Ferd Private Equity, Altor Equity Partners and Mathias Holding.

"They're very professional and have a good grasp of legal issues and tactics," said one rival partner. "They are good negotiators and I have no doubt that they are very good."

#### Leading lawyers

Jarle Kvam  
Nils Thommessen

### Schjødt

Schjødt has moved up a tier this year on the back of numerous recommendations from clients and peers. The firm's M&A department was augmented this year when it tempted Knut Smith-Erichsen across from Wiersholm in April 2007.

Described as a "pretty good team" by peers, the firm has a particular strength in property acquisitions. On one standout deal, the firm acted for ABG Sundal Colluer Eiendom on the Nkr4 billion acquisition of a large portfolio of logistic properties in Sweden.

Schjødt also advised Schlumberger on its Nkr1 billion purchase of Reslink and guided Stepstone on its Nkr250 million acquisition

of the Executrack Group. In one complex deal, the firm acted for Nera in its merger with Eltek, and subsequently acted for Eltek on the sale of a Nera subsidiary to Thrane & Thrane in Denmark.

#### Leading lawyers

Erling Christiansen

### Selmer

Selmer has joined Schjødt and Wikborg Rein in the second tier after clocking up a very impressive year, acting on some headline-grabbing deals and justifying its award as *IFLR's* Norwegian firm of the year.

The firm is seen as "very aggressive" by peers, who have noted its increased presence on the market in recent times. There was no better way to get noticed than to bag a role on the biggest merger of the year – Statoil-Hydro. Selmer represented the Norwegian government on the Nkr175 billion transaction, which captured the market's attention and put the firm on the map in the Norwegian legal market.

Selmer was also mandated by Mecom to act on its €876 million acquisition of Orkla Media. The firm also managed to win roles advising ErgoGroup on its €106 million acquisition of Allianse and advised FSN Capital on its purchase of a 47% stake in Norlandia Omsorg.

#### Leading lawyers

Dag Erik Rasmussen

### Steenstrup Storange

Steenstrup has had a solid year in transactional work, with many peers noting the firm is one to watch for the future.

The firm's standout M&A activity was advising EQT on the sale of Plantasjen to Apax, while on another notable deal the firm acted as Norwegian counsel for Candover on its \$1.9 billion sale of Vetco Gray. Steenstrup also advised Polimoon on its Nkr1.3 billion sale to Icelandic listed company Atorka and subsequent delisting.

#### Leading lawyers

Ernst Ravnaas  
Robert Sveen

### Other notable firms

Aabø-Evensen & Co is seen by peers as a boutique operation which gets high scores on the domestic front. The firm managed to win some impressive clients this year including EQT, Umoe, Gjensidige Forsikring and Reservoir Consultants Holding.

The firm is headed by the highly regarded Ole Aabø-Evensen, backed up by a stable of lawyers who have all had experience in large corporate firms.