

# Sweden

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## An overview of the securities market

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### Supervising and regulatory authority

In Sweden, all companies operating in the financial markets are authorized, supervised and monitored by the Financial Supervisory Authority (FSA). At present, the FSA supervises approximately 3,700 entities: banks and other credit institutions, securities companies, securities exchanges and clearing houses, fund management companies, insurance companies and insurance brokers.

### Securities regulations

The most central rules for the Swedish securities market are set forth in the Financial Markets Act (FMA) and the Financial Instruments Trading Act (FITA).

The FMA sets forth regulations for companies operating in the securities business. It also stipulates the requirements for a licence to conduct such business and fundamental rules for the organization of the business, including capital requirements and portfolio risk diversification rules.

Furthermore, the FMA applies to any undertaking aiming to regularly trade financial instruments. Such undertakings may be authorized as securities exchanges or marketplaces by the FSA. Clearing operations may only be conducted on a commercial basis by the Central Bank of Sweden and by undertakings that have been licensed to do so by the FMA.

The FITA sets forth regulations on trading in financial instruments, disclosure of shareholdings, and the pledging of collateral. It also sets forth the rules for drawing up prospectuses regarding offers to the public to purchase financial instruments or when financial instruments

are to be admitted to trading on a regulated market.

In addition to these statutory rules, the FSA issues regulations and general guidelines. Further guidance on good practice in the Swedish securities market can be found in recommendations issued by the Swedish Securities Council, the Swedish Industry and Commerce Stock Exchange Committee, and the Stockholm Stock Exchange.

### Legislation for foreign subjects

In general, the Swedish securities market regulations apply equally for Swedish and foreign subjects. According to the FMA, a securities business in Sweden requires a licence from the FSA. However, licences from regulatory bodies in other EU countries are acknowledged, and in those cases a securities business may be commenced in Sweden after a notification to the FSA.

The rules set forth in the FITA and in other legislation are applicable for foreign subjects investing in financial instruments that are publicly traded in Sweden. Accordingly, reporting duties, takeover rules, and requirements to draw up a prospectus in cases of public offerings must be observed also by foreign investors. Compliance with the FITA is supervised by the FSA, which may order corrective action in cases of non-compliance.

### Mandatory securities licence

Any company planning to operate and offer services on the securities market must file a licence application with the FSA. The same applies when an institution holding a licence wants to change the direction of its business. The change may be due to product development, restructuring or a change in the nature of the business. An application must contain information on the organizational structure of the company; its ownership, management and board of directors; its budget; and its control routines and security measures.

### The takeover regulations

The takeover regulations consist of a combination of legislation and self-regulation, fulfilling the requirements of the EU Takeover Directive. The regulation mainly consists of the Takeover Act, which came into force on July 1 2006, and a statutory obligation in the FMA for a stock exchange or authorized marketplace to adopt takeover rules which comply with the Takeover Directive.

The Takeover Act is applicable to shares issued by Swedish and, with some exceptions, foreign companies listed on a stock exchange or an authorized marketplace in Sweden. The Act stipulates that only a company that has undertaken to comply with the rules adopted by the stock exchange or the marketplace on which the target company's shares are listed can make a public offer. A contractual obligation is created between the stock exchange or market and the offeror, even if the offeror's shares are not listed in Sweden. The target company is bound by the same rules through its listing agreement.

The Act sets forth certain duties for the offeror, who is obliged to make a mandatory offer for all the shares of a company when he, either by himself or with related parties, attains a 30% voting share in a company, either through an acquisition or the establishment of a group relationship.

Furthermore the Act restricts defensive action taken by the target company and sets out provisions regarding a so-called breakthrough. That is, certain provisions of the Articles of Association and certain contractual agreements regarding the shares of the target company are not applicable in relation to a takeover bid. A takeover bid is defined in the Act as a public offer made to the holders of shares issued by a Swedish or a foreign company to acquire all or some of those shares.

The FSA is to supervise compliance with the Takeover Act. It may also impose fines up to SKr100 million (€10.9 million) in cases of non-compliance.

### Rules on disclosure of sales and purchase of shares

A new legislation on the disclosure of sales and purchase of shares came into force in Sweden on July 1 2007. Based on the EU Transparency Directive, it replaces Chapter 4 of the Financial Instruments Trading Act as well as the autonomous regulatory structure set in place by the Swedish Industry and Commerce Stock Exchange Committee.

The new legislation sets forth that sales and purchases of shares exceeding 5% of the share capital or votes in a company noted on an authorized Swedish marketplace must be reported to the company itself and the FSA, no later than the day after the transaction.

### Rules for prospectuses

The rules governing prospectuses are also set forth in the FITA. These rules stipulate that a prospectus must be drawn up whenever a financial instrument is to be offered to the public or is admitted to trading on a regulated market.

In respect of offers to the public to purchase shares, convertibles and subscription rights, the responsibility to draw up a prospectus falls to the limited company that issued the instruments. In cases of other offers to the public, such as options, futures and other derivatives, it is the offeror who must draw up the prospectus. All prospectuses must be in Swedish when the offer is made to the public in Sweden, or when the financial instrument is to be admitted to trading in Sweden.

There are a large number of exceptions to this obligation, such as financial instruments that are not meant for public trading and credits with shorter terms than one year.

The deal list of capital markets practices has this year has been dominated by equity work on the back of the surging stock market. Private-equity firms are driving the boom, with many more dual-track sales going the way of the capital markets than in recent times.

“Stock market prices have been high, and as a result exits have been via an initial public offering and not a trade sale,” said one partner.

The implementation of the EU Prospectus Directive was another driver, boosting the number of cross-border securities offerings and increasing foreign interest in listing on the Swedish capital markets.

But debt capital markets work has been slower, with many pointing to the popularity of direct bank lending as a cause of stagnation. “Bank debt is quite cheap at the moment so there’s no real need to go to the capital markets,” one commentator said.

### Mannheimer Swartling

Described as an “extremely strong operator” by peers, Mannheimer Swartling’s capital markets department is seen as strong on both the equity and debt sides. The firm acted on a number of listings on First North and the Stockholm Stock Exchange, and also help to issue several bond and note programmes in the debt markets.

Clients were very impressed with the firm’s all-round skills and reliability. “They performed well, have reasonable fees and delivered what we expected,” said one client.

Mannheimer advised Lindab International on its €1.04 billion listing on the Stockholm Stock Exchange and also guided Melker Schörling on its €1.2 billion listing on First North and subsequent listing on the Stockholm Stock Exchange.

Anders Lindbad, described by a client as “very good and very professional”, led the firm when it advised Electrolux on the merger and subsequent €3.7 billion listing of Husqvarna. The firm was also mandated by Securitas to act on its demerger and €1.5 billion listing of Securitas Systems and Securitas Direct in September 2006.

The firm’s debt practice was busy, with one notable role acting for Nordea Hypotek on the establishment of a SKr10 billion (€1.07 billion) international and Swedish covered bond programme, which includes the SKr15.2 billion conversion of outstanding unsecured debt securities. Mannheimer also acted for Estonian issuer E Öhman Jor on a €43 million distribution of floating-rate notes to be listed on the Stockholm Stock Exchange.

Mannheimer also acted on two prominent note issuances; one for SKF on a €500 million note issue and another for Assa Abloy on

a €1.5 billion issue under a global medium-term note (MTN) programme.

The firm produced some innovative work in the structured finance field, acting for Nordax Finans on the first Nordic securitization of €176 million of Swedish unsecured consumer loans through an orphan Jersey special-purpose vehicle. Mannheimer followed this up by acting for DAL Structured Finance and Nordbank on a structured cross-border leasing transaction of nine container vessels.

The firm also advised Nordea Bank on the establishment of the first Swedish constant-proportion portfolio insurance programme for investments in hedge fund assets through a Euro MTN programme and a back-to-back swap with Nordea Bank.

### Leading lawyers

Eva Hägg  
Tom Hård  
Anders Lindbad  
Hans Petersson

### Vinge

Vinge has held its place at the top of the tree after recording another fantastic year in the capital markets field. The firm’s equity capital markets practice is regarded highly by the market, with one partner noting it has “strong partners on the equity side and a dedicated and knowledgeable team”. The equity team is led by Göran Nyström, a former in-house lawyer at SEB Enskilda.

The firm also acted on some innovative transactions in the debt market this year. Led by Mikel Ståhl, Vinge advised Swedbank on the first high-yield bond issue listed on the Stockholm Stock Exchange. The firm followed this up in December 2006 when it acted for SBAB on the first Swedish issue of Swiss franc-denominated covered bonds.

Vinge also advised Investor AB on a £275 million and \$5 billion exchange offer and guided Kommuninvest i Sverige on a SKr93.8 million equity volatility arbitrage note.

The firm’s structured finance practice was also busy, acting for Citigroup on a €1 billion securitization of unsecured consumer loans and advising Bluestep Bostadslån on the securitization of residential mortgage loans. Mikel Ståhl also acted for Elliott Advisers and NewSmith Capital Partners on the structured acquisition by a Swedish special-purpose vehicle of €460 million shares issued by APRR.

### Leading lawyers

Jan Lombach  
Göran Nyström  
Mikel Ståhl  
Hans Wilborn

## Capital markets

Recommended firms	
<b>Tier 1</b>	Mannheimer Swartling Vinge
<b>Tier 2</b>	Cederquist Gernandt & Danielsson Linklaters
<b>Tier 3</b>	Hammarstiöck & Co Setterwalls White & Case
<b>Tier 4</b>	Baker & McKenzie Delphi & Co Lindahl Wistrand

## Cederquist

Cederquist has remained in the second tier after being acknowledged by the market as one of the top firms for capital markets work. Peers and clients noted that the firm had a strong year on debt capital markets work, deriving a lot of its work from big London banks. Cederquist's equity capital markets work was also prominent, acting on a number of IPOs on the Stockholm Stock Exchange and First North.

The firm's most headline-grabbing role was advising Björn Borg on its €300 million IPO on the Stockholm Stock Exchange. The name attracted the interest of the press, despite the company actually having no formal link to the former tennis ace besides getting him to ring the stock exchange bell to begin the IPO.

Elsewhere, Wilhelm Lünig led the firm when it acted for the Wise Group on its €30 million listing of recently acquired subsidiary Dagon on the Stockholm Stock Exchange.

### Leading lawyers

Magnus Lindstedt  
Wilhelm Lünig

## Gernandt & Danielsson

Gernandt & Danielsson is well regarded by the market, with many peers noting that they send them work if they are conflicted out. "They have been very successful in important situations," said one competitor. Dick Lundqvist is the standout name at the firm and is described as "skilled and balanced", while peers also point to Manfred Löfvenhaft as a rising star.

Gernandt & Danielsson's standout role on the equity side was acting for Securitas on the spin-off and listing of its subsidiaries Securitas Direct and Securitas Systems on the Stockholm Stock Exchange for a total of SKr16 billion.

Gernandt & Danielsson acted for the banks on Biovitrum's SKr770 million IPO and LinkMed's SKr210 million listing. The firm also acted for the banks on the stock market flotation of Svithoid Tankers and Rejlerkoncernen.

The firm used its close relationship with Carnegie Investment Bank to win a number of other mandates, including roles on Tricorona's SKr240 million share issue, West Siberian Resources' \$150 million offering of Swedish depositary receipts and Lappland Goldminers' SKr100 million share issue on First North. Gernandt & Danielsson also acted for Carnegie Investment Bank and JM on a SKr1 billion share redemption package for JM.

The practice was also active on the debt side, again advising Carnegie Investment

Bank along with Nordea Bank on the banks' warrant programmes and guiding Alfa Laval Treasury International's \$110 million issue of notes and their subsequent private placement in the US.

The firm also acted in connection with the International Finance Facility for Immunisation on a debt financing programme to vaccinate more than 500 million children around the world.

### Leading lawyers

Manfred Löfvenhaft  
Dick Lundqvist

## Linklaters

Linklaters backed up its fantastic work in 2005 and 2006 to record another impressive year in capital markets. Jörgen Axelsson heads up the department, which focused heavily on equity work including IPOs and rights issues.

The firm's most notable role was acting for Capio on its SKr2 billion rights offering in May 2006. Axelsson led the team on the deal, which was particularly complicated as it involved negotiations to passport the prospectus to the UK. From this, Linklaters won a mandate to advise Ångpanneföreningen on its SKr300 million rights offering.

Linklaters advised the Modern Times Group on the distribution of Metro International shares by a share split and mandatory share redemption programme. The firm also guided Black Earth farming on the private placement of €55 million bonds. Linklaters also acted on a SKr110 million IPO for Kontakt East – a directory company with operations in Russia.

Linklaters was also active on the debt side, advising the GAVI Fund on global note issuance program. The initial issue raised \$1 billion, which will be used to fund a vaccination programme.

### Leading lawyers

Jörgen Axelsson

## White & Case

White & Case's Stockholm office suffered a blow when Clas Romander left to join Delphi & Co in September 2006. The move has affected White & Case's mandates, with commentators noting the firm was noticeably less visible in 2007 than in previous years.

The firm had an active 2006 nevertheless, acting for the issuers on a number of IPOs, note programmes and rights issues. The firm acted for SAS on the SKr5.7 billion IPO for its subsidiary Rezidor Hotel Group on the Stockholm Stock Exchange, which was the biggest IPO in Sweden in 2006. The firm also

acted on the listings of the BE Group and Biovitrum on the Stockholm Stock Exchange and advised Travelpartner on its IPO on First North in July 2006.

While the firm spent most of its time working on the equity side, White & Case was anything but absent in the debt capital markets. The firm won a notable role guiding Mangold Fondkommision, financial advisor to C2SAT, on a significant rights offering and also represented Toyota Industries Finance International in connection with the company's \$1 billion Euro MTN programme. In addition, the firm assisted Atlas Copco on an \$800 million bond offering and a \$3 billion Euro MTN programme.

Other clients of White & Case include Nordic Capital, Merrill Lynch and Nordea Securities.

### Leading lawyers

Mats Boman

## Other notable firms

Baker & McKenzie had another solid year in equity capital markets. The firm won some notable mandates this year, including a role acting for the EpiCept Corporation on its secondary listing on the O List of the Stockholm Stock Exchange. This was the first listing in Sweden under the new rules relating to the EU Prospectus Directive. On another noteworthy deal, Baker & McKenzie acted for Capital Oil on its listing on First North in May 2007.

## Banking and project finance

### Recommended firms

#### Tier 1

Cederquist  
Mannheimer Swartling  
Vinge

#### Tier 2

Gernandt & Danielsson  
Linklaters

#### Tier 3

Hammarskiöld & Co  
Setterwalls  
White & Case

#### Tier 4

Lindahl  
Wistrand

The last 12 months have seen a swell of activity in the banking sector following strong interest in the Swedish M&A market; so much so that by the end of August 2007 many firms reported they had already topped

their 2006 full-year financing levels. Foreign banks have noted this and have come to the Swedish market in droves, with the Royal Bank of Scotland and Danske Bank some of the more notable entrants.

Leveraged finance is a driving force behind the market, with an increasing proportion of funding coming from bank lending as opposed to the capital markets. This market is set to grow with the set of privatizations which are tipped to emerge over the next few years.

Real-estate financing has been busy as well, with Nordic and UK investors falling over themselves to purchase highly leveraged Swedish property portfolios. "The property scene is booming this year and is set to increase," said one commentator. "There aren't too many clouds on the horizon".

### Cederquist

Cederquist has held its position in the top tier after recording another fantastic year in banking work. The firm was most active in acquisition finance, acting for the banks on a number of significant and innovative transactions.

The banking and finance department is headed by Svante Hultqvist, who is praised by peers for his strong knowledge and transactional skills. "He's very experienced and technically qualified, and he has devoted a long career to developing his skills," said one rival partner. Mattias Larsson is also noted by the market as an up-and-coming banking lawyer.

Cederquist proved its strength in bank lending by snaring a role on the financing of Indap's €3.5 billion buyout of Gambro. The firm acted for Citigroup and Morgan Stanley on the deal, which was the largest-ever public-to-private transaction in Sweden.

The firm backed this up five months later by acting for the Bank of Scotland and Barclays Capital on the financing of Opica's €2.2 billion acquisition of Capiro. Cederquist was again mandated by the Royal Bank of Scotland to advise on the €1 billion financing for Cinven's secondary buyout of Phadia in January 2006.

Svante Hultqvist and Åsa Nordman showed they weren't solely focused on bank lending when they acted for Citigroup on the refinancing of London & Regional's Scandinavian portfolio, which was one of the largest property refinancings in recent years.

One notable role on the regulatory side saw Cederquist act for the Swedish banks and the Swedish central securities depository, VPC, on its purchase of OMX's (the parent company of the Stockholm Stock Exchange) holding in VPC. This involved several regulatory issues as VPC is the only central securi-

ties depository authorized by the Swedish Financial Services Authority.

The firm also acted for Erik Penser Fonder on its fund management and guided Mangold Fondkommission in relation to the implementation of the Markets in Financial Instruments Directive.

#### Leading lawyers

Svante Hultqvist  
Mattias Larsson

### Mannheimer Swartling

The human resources department at Mannheimer Swartling was busy this year, with four associates departing, six arriving and five transferring departments internally. The banking and finance team is led by André Andersson, who is noted by peers as one of the most outstanding banking lawyers in the Swedish market.

"He is an extremely competent person across a broad field," said one competitor. "He thinks outside the box and is generally very, very good."

Mannheimer was strong this year in straight bank lending advice, acting for both borrowers and the lenders on some high-value transactions. Anderson led a team which advised Handelsbanken and CIBC on SKr2.32 billion (€249 million) senior, mezzanine and leasing facilities. The firm also represented an Estonian railway company on an 18-year infrastructure financing programme in December 2006.

The firm also advised in some significant refinancing transactions. Mannheimer acted for Morgan Stanley on the SKr11.8 billion recapitalization of the Ahlsell Group and guided Preem Petroleum on a SKr7.1 billion term facility and a SKr1.15 billion revolving credit facility for the refinancing of bond loans and credit facilities.

Mannheimer's was also prominent in project finance, acting for the lenders in the SKr1.34 billion refinancing of the SwePol Link power transmission cable and the SKr265 million financing of the E20 road construction between Lundsbruun and Holmestad. The firm also advised the lenders on the financing of a sports arena and a wind energy facility.

On the regulatory front, the firm advised GE Capital Solutions on deregulation issues and gave regulatory advice to GM in connection with its sale of GMAC to Cerberus.

#### Leading lawyers

André Andersson  
Jan Kansmark  
Mattias Lampe  
Thomas Pettersson

### Vinge

Vinge has lost six lawyers this year but gained another ten in the process. The banking and finance team is headed by Stefan de Hevesy, who is described by one client as "a good guy and well experienced".

The firm was particularly strong in real-estate financing, acting for the banks in particular on some very large financing deals. Vinge took advantage of its close relationship with Hypo Real Estate Bank to score mandates on a number of financing transactions, the largest being a Norwegian investor's SKr3.6 billion acquisition of ICA logistic properties in Sweden. The firm also advised Hypo on the financing of a SKr3.2 billion property portfolio and of a Danish investor's SKr2.25 billion purchase of Swedish real estate.

"It is important when you have a team in the property finance sector that the firm is big enough," said one client. "Vinge give us confidence, and to some extent it's also a matter of personal chemistry."

Away from real-estate financing, the firm advised HSB Sundsfastigheter arranging a SKr2.4 billion revolving credit facility, and also acted for Nordea Bank on the SKr1.15 billion refinancing of the Aleris Group in September 2006.

#### Leading lawyers

Stefan de Hevesy  
Hans Wibom

### Gernandt & Danielsson

Gernandt & Danielsson has held its position in the second tier after strong support from the market. The firm is smaller than its peers in the top two tiers and has a lower deal flow, but commentators noted that Gernandt & Danielsson's quality of work is never questioned.

Real-estate finance was one of Gernandt & Danielsson's strengths this year. The firm acted for Barclays Capital on two facilities to the Keops Group; a SKr6.5 billion facility for the purchase of Swedish properties from the Kungsleden group; and an SKr815 million facility for the acquisition of the Timotejen property in Stockholm.

The firm was also active in the acquisition finance field, acting for MAN on the financing of its €9.6 billion public offer for Scania and advising Dometic on the refinancing and raising of €1 billion of acquisition financing for a consortium consisting of Waeco International, Mobigroup Holding and Mobigroup.

Gernandt & Danielsson also guided Nordea Bank on a secured borrowing and

lending arrangement relating to bonds issued by the Royal Bank of Scotland.

#### Leading lawyers

Stefan de Geer  
Dick Lundqvist

#### Linklaters

The loss of acquisition finance specialist Fredrik Rydin to Roschier in November 2006 has left a hole in the firm's banking and finance department, with commentators noting they'd seen less of Linklaters in the market than they used to. Linklaters still turned in an impressive deal list, but many of these roles were won when Rydin was still at the firm.

A team boasting the talent of Jörgen Durban will never be down for long. Durban's team contains talented lawyers such as associate Fredrik Olsson, who is seen by the market as an up-and-coming practitioner. "He's a transaction-driven lawyer and is moving forward and getting deals done," said one competitor.

On the deal side, Jörgen Durban led a team which acted for Triton Managers II as sponsor and Kamila Holding as borrower in the financing of the acquisition of Alimak Hek Group. Partner Fredrik Gillgren was also mandated to give Swedish advice to Citigroup and the Royal Bank of Scotland on the acquisition financing for MAN's attempted purchase of Scania in 2006.

Linklaters was also active in the real-estate financing, scoring a role advising Svenska Handelsbanken to provide multi-currency facilities to a property investment company for the acquisition of real estate in Poland, Germany and Sweden. Partner Per Nyberg also advised Keops Sverige on a €207 million facility for the purchase of property in Sweden, Denmark and Norway.

Asset finance was another busy area, with the firm scoring a role advising the lead arrangers on a \$1.4 billion revolving credit facility, a \$200 million swing-line facility for Volvo and a €1 billion multi-currency revolving credit facility for Hexagon.

The firm also regularly acts for 3i, Kaupthing Bank, Vostok Nafta and Société Générale.

#### Leading lawyers

Jörgen Durban  
Per Nyberg

#### Setterwalls

Setterwalls has moved down a tier this year after market opinion suggested that it wasn't as active in the banking market as its tier two peers. The firm has attempted to address this

by hiring Thomas Lakhall from Vinge in April 2007, so it may just be a matter of time before Setterwalls climbs the rankings again.

The firm was active in the refinancing market this year, with Åke Fols leading a team which advised Relacom Holding on its SKr3.8 billion refinancing and guided UBS on the \$280 million refinancing of the Singer Group.

The firm was mandated by LogicaCMG for a £190 million facility in connection with the acquisition of WM Data and won a role advising Diagnostics Holding on its €830 million loan from the Royal Bank of Scotland.

Partner Håkan Fohlin and Senior Associate Kristina Einarsson were singled out by one client for their "experience, high quality of work and strong network of foreign companies".

#### White & Case

White & Case recorded a solid year, acting for the lenders in a number of refinancing and acquisition finance transactions. Magnus Håkanson heads a banking and finance team which is well liked by clients and is noted for having a good stable of associates.

The firm was very active with refinancing work this year, with one standout role advising Cinven and Ahlsell on the SKr14.3 billion leveraged refinancing of the Ahlsell group. White & Case also acted for Nordea bank on the SKr10.6 billion refinancing of the Com Hem Group. White & Case also acted on BE Group's SKr1.8 billion refinancing ahead of its initial public offering on the Stockholm Stock Exchange and advised Nordic Capital on a SKr2 billion leveraged refinancing and merger of portfolio companies Tradimus and Personec.

Acquisition finance was another focus of the firm. White & Case acted for Commerzbank on the €227 million financing of the acquisition and refinancing of the Rasmussen Group, guided Nordic Capital on a SKr725 million facility for the acquisition of ICA Meny, and assisted Swedish steel company SSAB on an \$8.8 billion facility – one of the largest acquisition finance facilities of 2007.

Another notable transaction saw the firm advise Swepol Link on a SKr1.34 billion facility from Svenska Handelsbanken for the financing of the underground cable link between Sweden and Poland.

#### Other notable firms

Finnish firm Roschier made its presence felt in the market when it poached Fredrik Rydin from Linklaters in November 2006. The firm opened a Stockholm office in 2005 and is

tipped to feature heavily in the Swedish market once it finds its feet.

"They've recruited some surprising and interesting people in the banking field," said one competitor. "I would be very surprised if they didn't succeed."

## Mergers and acquisitions

### Recommended firms

#### Tier 1

Mannheimer Swartling  
Vinge

#### Tier 2

Gernandt & Danielsson  
Linklaters  
White & Case

#### Tier 3

Cederquist  
Hammarskiöld & Co  
Lindahl  
Setterwalls

#### Tier 4

Delphi & Co  
DLA Nordic  
Roschier  
Wistrand

Sweden's M&A sector has ticked along this year as expected, but firms have been secretly preparing for the bunfight which is due to break out over the Swedish government's upcoming batch of privatizations.

The new government's right-leaning ideologies have seen it announce a large-scale sell-off of many state-owned enterprises, with Vin & Spirit, which holds the Absolut brand of vodka, touted to be the first on the selling block. Drinks industry companies are set to vie with private-equity houses for a stake in the company, a prediction which is indicative of the rising aggression of industrial companies in the Swedish market.

The sell-off will provide a deluge of work for many Swedish firms, as the Swedish Bar Association's stringent conflict of interest regulations ban the use of Chinese walls. While this obviously benefits smaller firms, larger firms point out that clients don't want to work with less-experienced teams.

"Clients have been restricted by sticking to these regulations," said one partner. "They have to go to the North Pole to find someone to represent them."

### Mannheimer Swartling

Rounding out the top tier is Mannheimer Swartling, which is described by peers as "one of the major players in the market in terms of

recognition". The firm is among the Nordic leaders in terms of number of deals completed and continued its strong work this year, focusing on representing the seller on a number of M&A and private-equity transactions.

The firm's highest-value transaction this year was the €1.5 billion demerger of Securitas Systems and Securitas Direct, on which Mannheimer represented the parent company Securitas.

Mannheimer had a lot of dealings with private-equity houses, with one deal seeing the firm represent Hilton Hotels on its €833 million sale of the Scandic hotel chain to EQT in March 2007. The firm also guided Bridgepoint on its €488 million sale of Attendo to Industri Capital and assisted the 3i Group on the €101 million sale of all shares and convertible debentures in Nordic Modular Holding to Kungsliden in January 2007.

#### Leading lawyers

Eva Hägg  
Tom Hård  
Hans Petersson

### Vinge

Led by Carl Gustaf de Geer, Vinge's M&A team demonstrated why it is one of the twin bastions of M&A work in Sweden by acting on some of the largest and most significant transactions of the year.

"They're excellent," said one client. "They're professional, deliver on time and we always get the advice we need."

Partner Fredrik von Baumgarten is singled out by both clients and peers for his outstanding work. One client described him as "very professional and efficient", while a competitor praised von Baumgarten for his practicality. "He gets things done and doesn't overly complicate things," the rival partner said.

Vinge's year started off with a bang when Hans Wibom led a team which advised Investor and EQT IV on its SKr38 billion (€4.07 billion) purchase of the remaining 80.1% interest in Gambro. The firm followed this up in November when it was mandated by Opica, a joint venture between Apax Partners and Nordic Capital, on its SKr15.6 billion tender offer for Capiro, which was ultimately unsuccessful.

The firm's mandates really picked up in 2007, acting for PPM Capital and Triton on its SKr11.6 billion sale of Phadia to UK private-equity firm Cinven in early January. Vinge won another role advising the seller on the €700 million acquisition of the Dynapac Group by Atlas Copco, and again advised EQT in its acquisition of Scandic Hotels in April.

At the time of writing, Vinge was representing Swedbank on its \$735 million purchase of Ukraine's TAS-Kommerzbank from companies owned by Segiy Tigipko.

#### Leading lawyers

Carl Gustaf de Geer  
Bertil Villard  
Fredrik von Baumgarten  
Hans Wibom

### Gernandt & Danielsson

Gernandt & Danielsson's M&A practice held its position in the second tier after a busy year advising on both public and private M&A deals. The firm has 13 partners and was boosted this year with the addition of 11 new associates. Gernandt & Danielsson came in for praise from peers and client for its great work in the field, and was described as "a very strong practice and very well known" by one rival lawyer.

The firm's standout role for the year was acting for MAN on its SKr90 billion offer for Scania, which was rejected by Scania's shareholders. The firm also had a role advising the board of directors of Gambro regarding the SKr38 billion takeover bid by EQT IV and Investor.

The firm's luck changed in March 2007 when it represented D Carnegie & Co on its successful SKr900 million acquisition of Max Mathiessen. In April it won a role guiding a subsidiary of Milestone on its SKr7.4 billion acquisition of Onvik & Co, and was mandated soon after by Atria Concern and Atria Meat & Fast Food on their SKr1.2 billion joint acquisition of 6 million shares in Aktiebolaget Sardus.

Another prominent deal saw Gernandt & Danielsson advise Malon Luxembourg, indirectly owned by Kuwait Finance, on its SKr3.9 billion sale of Terminal Real Estate Sweden and its 12-property portfolio.

#### Leading lawyers

Stefan de Geer  
Dick Lundqvist

### Linklaters

Linklaters secured its position in the second tier this year after receiving strong recommendations from peers and clients.

One of the firm's standout roles was acting for Candover Partners on its SKr9.2 billion leveraged tertiary buyout of Hilding Anders from Investcorp under a locked-box process. Krister Hansen was the lead partner on the deal, which involved partners from numerous departments of the firm.

Linklaters followed this up with a mandate to represent Investment AB Kinnevik. Kinnevik and other sellers divested their SKr7.42 billion stake in Invik to a subsidiary of Milestone. The firm also acted for Husqvarna on its €730 million acquisition of Gardena, a German gardening tool manufacturer.

The firm also won a role advising the Swedish government on its SKr18 billion sale of 8% of the shares in TeliaSonera to institutional investors. This was the largest offering in the Nordic area since the Ericsson offering five years ago. The government still holds a 37.5% stake in the company, and the deal puts Linklaters in a good position to advise the government on potential future sell-offs.

#### Leading lawyers

Martin Börresen  
Peter Högström

### White & Case

White & Case's M&A department recorded another strong transactional year, impressing clients with its all-round skills in the corporate field. The firm's international network is noted by clients as one of White & Case's biggest strengths.

"What makes White & Case stand out is that they are part of an international network," said one client. "They have an advantage as they are extremely spread geographically."

The firm is headed by Claes Zettermarck, who came in for praise from the market for his work in M&A. "He's the best commercial lawyer in Sweden – his skills and experience are outstanding," a client said.

Zettermarck led a team which advised WM-Data on its \$1.67 billion sale to LogicaCMG in August 2006, and took the lead when White & Case guided Personec's acquisition of shares and shareholders' loans from Personec Group. White & Case had a role advising Block Watne Gruppen on its SKr1.9 billion purchase of Prevesta and was also instructed by Accent Equity Partners on its SKr830 million sale of its stake in Hydrauto Group to Wipro.

Elsewhere, the firm represented Ahlsell on its acquisition of AB T Idestrands, guided Opica on its offer for Capiro and assisted Questdale Holdings on its sale of its 90% stake in Sapio to Wisekey International in October 2006.

"They're extremely good," said one client of White & Case. "They have a good continuity and legal expertise. They're easygoing, helpful, service-minded and have a good overall attitude."

**Leading lawyers**

Ulf Johansson  
Claes Zettermarck

**Cederquist**

Cederquist's M&A team had a number of mandates, representing private-equity houses in particular, on a range of acquisition deals. The firm is led by Petter Wirell, but the market noted that partner Lennart Kanter is generally more visible on deals.

The firm represented Investor on its €2.85 billion acquisition of Mölnlycke Healthcare from Apax Partners in March 2007. The firm backed also acted for Gnutti Carlo, an Italian maker of engine parts, on the purchase of Finnveden's powertrain components business.

Cederquist also managed to win two significant mandates representing Segulah; one advising on the €150 million public offer for NEA, and another acting on its acquisition of 50% of the Kemetyl Group from Pemco.

**Leading lawyers**

Lennart Kanter  
Petter Wirell

**Hammar skiöld & Co**

Hammar skiöld & Co has held its position in the third tier after a strong year advising some high-profile clients. Led by Jacob Melander and Peder Hammar skiöld, the M&A team advised Scania regarding the widely publicized hostile takeover bid for the company by MAN.

The firm proved it could consistently work on the top deals when it was mandated by Keops on its SKr6.4 billion acquisition of two real-estate portfolios from Kungsleden, and advised Pfeleiderer on its SKr2.7 billion offer for Pergo.

Hammar skiöld demonstrated its flexibility to work on mid-cap deals as well when it advised Rhône Capital II on the Swedish aspects of its €485 million purchase of Arizona Chemical from International Paper.

**Leading lawyers**

Peder Hammar skiöld  
Jacob Melander

**Setterwalls**

Setterwalls held its place in the third tier this year after strong support from peers and clients. The team is headed by Richard Åkerman, but it is Sören Lindström who is noted by the market as the department's most visible presence.

The firm's most prominent role this year was advising LogicaCMG on its SKr12 billion

acquisition of Swedish information technology provider WM-Data in November 2006. This followed the firm's role acting for Opica, jointly owned by Apax Partners, Nordic Capital and Apax France, on its €1.9 billion sale to Capiro. The firm was also involved on the buyer's side on the SKr2.03 billion public offer by Posten to acquire all outstanding shares in Strålfors in May 2006.

**Leading lawyers**

Richard Åkerman  
Jan Jensen  
Sören Lindström

**Other notable firms**

Roschier has continued its push into the Swedish M&A market this year, with competitors noting they had encountered the firm on a few deals. Roschier has eased its recruiting strategy somewhat this year, with only one hire in the banking sector. But the market is still recovering after the firm's spate of lateral hires last year.

"They have really rattled Swedish-Finnish relations and we all have to take a new view on how to handle them," said one partner. "We don't like it, but we have to live with it."

Competitors also noted that the firm's presence in the Finland and the Baltic states will prove attractive to clients, which will in turn boost the firm's standing in the Swedish marketplace.

Baker & McKenzie has dropped down this year after commentators noted that the firm was not very frequently seen on the mid-to large-cap market. Baker & McKenzie's M&A team's notable deals for the year included acting for Industri Kapital on its €130 million purchase of EKFA and advising Cephied on its acquisition of Sangtec Molecular Diagnostics.

The firm was involved in some bigger deals such as Brightpoint's acquisition of Dangaard Telecom and Geodis's purchase of TNT Freight Management, although the Swedish office's role in such deals is most often to provide Swedish advice and due diligence to Baker & McKenzie's larger foreign offices.

Delphi & Co managed to score advisory roles on some significant German-based transactions such as Saint-Gobain's €2.1 billion acquisition of the Maxit Group from HeidelbergCement and ProSiebenSat1 Media's €3.3 billion acquisition of SBS Broadcasting Group.

The firm is well regarded by its competitors, with many noting the firm is moving forward. "They've really picked up and taken on some new people," said one rival. "They've done quite well and should be pleased with their performance."

**Restructuring and insolvency****Recommended firms****Tier 1**

Hamilton  
Lindahl  
Setterwalls  
Wistrand

**Tier 2**

Fylgia  
Glimstedt  
Grönberg  
Linklaters

Sweden's surging economy has left the restructuring and insolvency market at its lowest ebb. Firms such as Vinge, Cederquist and Linklaters have begun to position themselves for the inevitable slowdown and expect to get a lot of mandates reorganizing structured finance transactions, but partners say that activity is still at least a few years away.

"Nothing is happening," said one partner. "There's never been such a weak market."

Setterwalls' restructuring and insolvency department is led by Rolf Åbjörnsson, who is described by one client at "outstanding". Odd Swarting was another partner who impressed clients, with one singling him out for his restructuring skills. "He has the best knowledge, is impressive and very experienced," the client said.

Swarting led the team on two notable transactions this year; representing international creditors on the SKr5 billion restructuring of Concordia Bus and the SKR1 billion Collins & Aikman restructuring. Åbjörnsson was also active, acting as the appointed receiver on the bankruptcies of Folksam International Reinsurance and the Energisystem Group.

"They're a very good firm," a client said. "They have very good lawyers and are very good to deal with."

Lindahl focuses primarily on insolvency matters and has offices in six Swedish cities, with its Gothenburg office seen as the strongest. The firm recorded yet another strong year, with the highlight acting for Fly Me Sweden on its bankruptcy proceedings.

Hamilton is another firm which focuses on bankruptcy, and was described by one competitor as "a top-class insolvency shop". Christoffer Hamilton is singled out by the market as the firm's top lawyer.

Described as "high quality" by peers, Wistrand remains in the top tier after strong support from peers and clients. Stockholm partner Lars Olof-Svensson and Malmö partner Leif Ljungholm were noted as the practice's standout lawyers.

Ljungholm was appointed as the public representative on the Custodia insolvency, which was the first time a public representative was appointed in the bankruptcy of a Swedish financial institution following a law change in 2004.

**Grönberg** enters the rankings this year after numerous recommendations from competitors, with Roland Sundqvist noted as one of the leading lawyers in the country.

**Vinge's** restructuring and insolvency team, led by Robert Wikholm, is acting on a number of long-running mandates. The firm is representing AWAS as creditor during the bankruptcy proceedings of Falcon Air and Fly Me Sweden. Wikholm is also representing TallOil in its restructuring proceedings and guiding Toyo Machinery & Metal Co as creditor during the reorganization of M2 Engineering.