

# France

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## French reform of supervision of the financial system

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The international financial crisis has among other things revealed the insufficiencies of the supervision of the financial system throughout the world and launched a general debate on the functioning and operation of the supervisory authorities. The resulting general consensus is that the regulation of financial markets needs to be reinforced.

This debate has of course had implications both at the European and the French national level. As part of this trend, and a step ahead of the European Union or its neighbours, France has initiated a substantial remodelling of its supervisory authorities and is carrying out a legal reform of its financial and banking regulation.

France has elected to merge the four previous banking and insurance licensing and supervisory authorities. The French Prudential Supervisory Authority (*Autorité de Contrôle Prudentiel – ACP*) was therefore set up by ordinance dated January 21 2010, and officially launched on March 8 2010.

To the contrary of other European countries, France has maintained separately the existing independent supervisory authority for financial markets, AMF (*Autorité des Marchés Financiers*), in particular due to the important difference of objectives between the different sectors, with the financial supervision oriented towards transparency and information, while banking supervision favours confidentiality to avoid panic driven moves.

However, in order to reach its objective not to leave any blind corner behind, the French government has organised cooperation with AMF in matters relating to supervision of the relations between the relevant profes-

sionals and their customers, including for instance the supervision of advertising campaigns, relating to banking, financial and insurance products.

ACP is an independent administrative authority operating under the auspices of the French central bank, Banque de France. ACP is not a legal entity, but its president, the governor of Banque de France, is legally entitled to bring legal proceedings against contravening companies. Its financial independence is guaranteed by the fact that it will have its own resources resulting from the contribution for control costs to be paid by all companies falling within the jurisdiction of ACP.

In order to take into account the specificities of each sector, the structure of ACP has been designed to ensure that the issues specific to banking or insurance institutions are dealt with by specialised departments.

ACP's mission is twofold: ensure preservation of the stability of the financial system and protect banking and insurance customers. In addition, the aim is to increase France's influence in Europe and in international negotiations.

In order to fulfil these missions, ACP has different powers: individual decisions regarding in particular the licensing of firms, powers of control and administrative investigation, and power to issue sanctions, but to the difference of AMF, has no regulatory power.

However, even if it does not set the law, ACP has a power of recommendation, inviting banks and insurance firms to develop their practice as regards customer relations. ACP has the power to issue monetary sanctions up to €50 million (and soon €100 million as set forth on the bill of law being submitted to parliament). In addition, ACP is allowed to bring to the public's attention any information that it deems necessary to the carrying out of its mission, without being bound by professional secrecy rules.

Basically, the law does not set any new obligation on the professionals, but the objec-

tives assigned to ACP in section L. 612-1-II of Monetary and Financial Code are very ambitious and will direct the interpretation and implementation of the powers assigned to ACP. Consequently, it is expected that they should lead to a gradual increase of the requirements imposed on the professionals.

At a European level, ACP will be entrusted with ensuring the compliance of European companies operating in France with the legal provisions applicable to them within the framework of the home country control principle i.e. it will not have jurisdiction to control compliance with structural company rules (solvency, financial situation etc.) but it will be allowed to control the compliance with national rules of public policy in matters of advertising, consumer protection etc. More generally on the international field, the law provides that ACP must cooperate with all other states.

As a second step of this extensive reform, a bill of law on the banking and financial regulation is currently being reviewed by the legislator and submitted to the vote of Parliament. It aims at increasing the powers of AMF and strengthening the supervision of financial markets, in line with the reforms carried out at the European level, by setting up among other things a *Conseil de régulation financière et du risque systémique* (Committee of financial regulation and systemic risk).

As a conclusion, it is of course too early to see whether this reform will hold its promises and allow for a better and efficient supervision. In light of the great variety of the relevant sectors it cannot be anticipated whether the merger will work or not. Will the fears of some commentators be confirmed and will the banking culture prevail to the detriment of insurance culture or will the members of ACP manage to develop a common culture?

Some authors or economic players have indeed expressed concern on the domination by the banking sector. For instance, ACAM (former supervisory authority for mutual insurance companies) has expressed its fear that the

efficient control methods used in the insurance sector be set aside or weakened due to their dilution in the mould of Banque de France.

Some commentators also fear that due to its complex structure, ACP will be a Heath-Robinson machine and that its internal complexities will paralyse some deliberations, but other commentators argue that it is necessary to preserve the specificities of each sector and that this will precisely be the strength of ACP and favour the emergence of a system taking the better of the former authorities and relying on their expertise. Only time will prove whether this French reform, which some commentators find premature while the European reform has not been finalised yet, will fulfil its promises.

## Capital markets - equity

Recommended firms	
<b>Tier 1</b>	Cleary Gottlieb Steen & Hamilton Linklaters Shearman & Sterling
<b>Tier 2</b>	Debevoise & Plimpton Freshfields Bruckhaus Deringer Sullivan & Cromwell
<b>Tier 3</b>	Bredin Prat Clifford Chance Darrois Villey Maillot Brochier Gide Loyrette Nouel Skadden Arps Slate Meagher & Flom
<b>Tier 4</b>	Allen & Overy Davis Polk & Wardwell De Pardieu Brocas Maffei Latham & Watkins Orrick Rambaud Martel Willkie Farr & Gallagher

## Capital markets - debt

Recommended firms	
<b>Tier 1</b>	Allen & Overy Clifford Chance Gide Loyrette Nouel Linklaters
<b>Tier 2</b>	Cleary Gottlieb Steen & Hamilton De Pardieu Brocas Maffei Freshfields Bruckhaus Deringer Latham & Watkins Lovells Orrick Rambaud Martel Shearman & Sterling White & Case
<b>Tier 3</b>	Debevoise & Plimpton Jones Day Skadden Arps Slate Meagher & Flom Willkie Farr & Gallagher

## Capital markets - structured finance and securitisation

Recommended firms	
<b>Tier 1</b>	Freshfields Bruckhaus Deringer Gide Loyrette Nouel
<b>Tier 2</b>	Allen & Overy Clifford Chance Linklaters
<b>Tier 3</b>	De Pardieu Brocas Maffei Latham & Watkins Lovells Shearman & Sterling Skadden Arps Slate Meagher & Flom
<b>Tier 4</b>	Jones Day Orrick Rambaud Martel White & Case
<b>Tier 5</b>	Cleary Gottlieb Steen & Hamilton Debevoise & Plimpton Willkie Farr & Gallagher

As the economic downturn and the narrowly avoided euro crisis continue to spread doubt across the financial markets, capital markets lawyers in France have felt the effects as much as anyone. "In the last 18 months banks have been very reluctant to lend and as a result we have seen less of an impact on the capital markets." says one

lawyer. "We have not seen a lot of equity deals, rights issues."

On the equity side, firms have noticed clients favouring instruments that are quick and easy to turnaround. This is hardly surprising as changeable market conditions mean that long drawn out transactions can miss the tight windows of opportunity presented to them, as one partner explains: "If people embark on an IPO or a high yield they know they have to prepare and if there is a window you have to take it."

Another partner agrees: "We're seeing the revival of instruments like equity lines, large banks offering listed issuers to increase their capital just as easily as a credit line because trying a real transaction like a private or public placement takes too long."

There is optimism that the IPO market will return sooner rather than later, but at the moment corporates in France are holding their fire. "When you speak to bankers they say that there are plenty of deals in the pipeline, but they are not coming through." says one partner.

The picture is a lot brighter on the debt side, where the bond market has been in vibrant and flowing form. "The bond market has been very active in the last 12 months from June last year, in addition to that they have been a lot of corporates coming into the market in the last year." says one lawyer.

This increase in activity is largely down to the lack of financing options elsewhere and companies are scrambling to get bonds onto the market to take advantage. "I have been in the market a long time and I have never seen so many bond issues in my life," says one busy partner. "There's a lot of cash around and the market is really good."

On the securitisation side the market has begun to pick up a little bit, but it is still quiet compared to pre-Lehman times. "I have started to hear about securitisation but in terms of volume its nothing like it was in the past." says one partner.

The bulk of the work remains in the form of issuance placed with the European Central Bank (ECB). However these transactions are now drying up as the bank tightens its rules. "The rules of the ECB are becoming more restrictive so products allowed 12 months ago are not allowed now," says one securitisation lawyer.

## Allen & Overy

There was a change of the guard in Allen & Overy's capital markets team last year with François Poudelet taking over from Pierre Gissinger as head of department. May 2009 also saw the promotion to the partnership of Hervé Ekué who has proved a hit with clients: "He's a

young partner but he really knows his subject, for some complex matters he's great because he has all the knowledge, he's also flexible, he can play the bad guy when you are negotiating."

One of Ekué's highlights last year saw him act as lead partner as the firm advised Groupama last year on a regulatory capital bond issue of €750 million.

The firm's team in France has French, English and American qualified lawyers which gives them a wide scope to deal with cross border transactions. US qualified partner Diana Billik is very popular with clients: "Diana was a very, very hands-on partner, often it's just a name on a document but Diana was readily available," says one international client.

"Even other bankers are asking specifically for Diana, which is quite a big thing coming from debt capital markets bankers. To say that we want to use a foreign-based Allen & Overy partner is quite a big thing. It goes a lot to her credit."

The team's international capability was highlighted by one of its biggest transactions last year as Billik and Poudelet advised both BNP Paribas and Natixis on the exchange offers of BPCE. The deal consisted of the exchange of €1.2 billion issues of Tier I securities for three French and one US undated deeply subordinated notes issued by BPCE on a Rule 144A/Reg S basis. Dan Lauder gave further advice to BPCE on a €10 billion euro commercial paper programme. Lauder was also on hand to act for Société Générale on a \$1 billion issue of undated deeply-subordinated notes.

The team is also recognised by the market as a key player in structured finance and covered bonds and the firm showed its skills by advising BNP Paribas in the first ever multi-jurisdictional public sector covered bond programme. The deal consisted of a €15 billion *obligations foncières* (covered bonds) issued by BNP Paribas Public Sector SCF.

The structured finance team is led by Fabrice Faure-Dauphin and Christophe Jacquemin and both were involved as the firm advised the arrangers, including HSBC and Société Générale, of a US based off balance sheet trade receivables programme for Rexel.

Société Générale also called on Faure-Dauphin to advise on the transfer of ECA (export credit agency)-backed loans to the bank's legislative covered bonds issuer, Société Générale SCF. This was followed by subsequent advice to the arrangers of several *obligations foncières* issued by Société Générale SCF.

#### Leading lawyers

Diana Billik  
Hervé Ekué  
Dan Lauder  
François Poudelet

### Cleary Gottlieb Steen & Hamilton

When it comes to equity work there is very little argument in the market that Cleary Gottlieb Steen & Hamilton is a key player in Paris. "In this market [equity] it's the firm we see most," says one rival, and clients agree: "It's very good, Cleary is the reference law firm for us, mainly they work in our equity and our major M&A deals," says one.

The firm's reputation is primarily as underwriters counsel and certainly competitors see them as one of the strongest offerings in this area: "Cleary are one of the top players in the market, they are very active on the underwriters side," says one equity lawyer.

The team is led by US partner Andrew Bernstein and Marie-Laurence Tibi. Both partners were involved as the firm represented the underwriters in the substantial IPO of Medica, consisting of a French offering on Euronext Paris and an international offering. Closed on February 12 2010, the proceeds totalled €314 million.

Tibi also led the firm's team on another substantial IPO, that of UC Rusal in Hong Kong and Paris. The \$2.2 billion Hong Kong IPO was the first Russian listings on the exchange and the firm also advised on the simultaneous listing on the professional compartment of Euronext Paris.

The team was also busy in regards to rights offerings and represented the underwriters in a €4.8 billion offering for Société Générale which was closed on November 2 2009. The team took on similar work for BNP Paribas acting as counsel in a \$4.3 billion offering closed on October 26 2009.

On the debt side Andrew Bernstein and Mark Adams acted as counsel to the underwriters, including BNP Paribas, Credit Suisse and HSBC, on a Council of Europe Development Bank (CEB)'s offering of \$1 billion, 2.75% five-year notes. Closed on February 10 2009, this was the banks first offering in the US.

Bernstein was again involved alongside French partner Pierre-Yves Chabert as the firm represented the underwriters in Total's \$1 billion SEC-registered bond offering that closed on September 25 2009.

#### Leading lawyers

Andrew Bernstein  
Pierre-Yves Chabert

### Clifford Chance

The Clifford Chance team in Paris has a strong focus on debt capital markets, structured finance and derivatives. On the debt side in particular the team is seen in a similar light to its magic circle rival Allen & Overy as

one of the market leaders. "The guys we see most on these deals are Allen & Overy and Clifford Chance," says one peer.

Two major clients of the firm are BNP Paribas and Caisse D'Amortissement De La Dette Sociale (Cades) and the team worked on two notable deals for each in the last year. In February 2010 Cédric Burford acted for BNP Paribas as the lead arranger of ArcelorMittal's €3 billion EMTN programme. The bank called on him again to advise on two note issues by Sanofi-Aventis with values of €700 million and 800 million respectively.

For Cades it was Burford again who advised on a \$1.25 billion 2.8% notes issue in October 2009. In December the firm advised the agency on a €3 billion notes issue.

On the straight bond side the team acted for BNP Paribas on a €3.2 billion public bond issue by EDF. On another EDF deal the team acted for the Royal Bank of Scotland on a £1.5 billion sterling bond issue.

On the structured finance side Frédéric Lacroix and Jonathan Lewis advised Natixis over a financial guarantee, total return swap and call option granted by BPCE over Natixis' legacy GAPC portfolio. Both partner also advised the company over the creation of securitisation company Magenta; the first to be established in France.

Other securitisation work saw Lacroix advise Banque PSA France on an ECB (European Central Bank) securitisation of a car loan portfolio with a value of €1.1 billion.

On the covered bond side the team acted for Coface, Hermes and ECGD on BNP Paribas' public sector *société de crédit foncier* (SCF) structure for aircraft loan backed by export credit agencies.

#### Leading lawyers

Jonathan Lewis  
Richard Parolai

### Freshfields Bruckhaus Deringer

There was little doubt in the market that when it comes to securitisation in Paris Freshfields Bruckhaus Deringer, alongside Gide Loyrette Nouel, is the market leader. "I think that no doubt the top firms in Paris are Freshfields and Gide," says one rival, and another agrees: "I think that Freshfields and Gide are the only ones we see on these deals."

This reputation is backed up by the firm's activity and last year three key banking clients - BNP Paribas, Crédit Agricole and HSBC - kept the team busy. In December 2009 Fabrice Grillo advised both BNP Paribas and Crédit Agricole in a €300 million mobile communications securitisation. Grillo was also called on by the banks in securitisation

transactions involving the Lafarge Group, one in both Spain and the UK involving Crédit Agricole and HSBC, valued at €150 million and a second in France with the firm advising BNP Paribas.

The equity team at the firm is headed by Patrick Bonvarlet and David Revcolevschi, Bonvarlet in particular is highly appreciated by clients: "He's very clever and very strong and its very important when you work on a restructuring, you need a strong personality to handle and manage your matters," says one.

One of the largest transactions completed by the firm last year was a €1 billion convertible bond offering for Alcatel-Lucent. The deal included a simultaneous €192 million buy back offer for existing convertible bonds and was notable for being the first convertible in France to gain the agreement of the Autorité des Marchés financiers (AMF) to increase the size of the initial offering without the need for a new prospectus. Another notable client of the team is Eurotunnel who the firm advised on the issuance of €414 million worth of shares connected to a 2007 public exchange offer on warrants.

Capital increases were also on the agenda for the team last year. The team acted on the first rights issue for mineral processor Imerys, advising BNP Paribas, HSBC, Lazard-Natixis and ABN Amro over a €251 million capital increase. Fonds Stratégique d'Investissement (FSI) also called in the firm on a €414 million increase related to an acquisition of a 15% stake in Cegedim.

In the debt and structured finance area, partner Dougall Molson drew the praise from clients: "Very positive, listening, always trying to find a solution," says one. "He's not a yes man but he's not a no man, that's just the type of guy we are looking for."

Last year Molson and his debt team had a good run in the EMTN market and also on covered bonds. As well as advising BNP Paribas as the arranger of Lafarge's €9 billion EMTN programme, firm also took on work for Citco Financial products advising on the update and restructuring of an EMTN programme listed on the Irish market. This platform provides its investors with the benefit of indirect capital markets access for funds of funds.

In the covered bonds market Molson and fellow partner Hervé Touraine acted for the arranger, Natixis, in new issues and the 2010 programme update for Banque Populaires group's €25 billion Luxembourg listed covered bond programme.

#### Leading lawyers

Patrick Bonvarlet  
Hervé Touraine

### Gide Loyrette Nouel

The debt team in Paris is led by Arnaud Duhamel and Hubert du Vignaux, and both receive positive feedback from clients.

Du Vignaux is described as "very pragmatic with a really good knowledge of what French clients can work with" by one client, while another, speaking of Duhamel said: "I would say he is able to really understand the clients' needs and the business properties of a transaction and doesn't lose this view which other lawyers don't always achieve."

January 2010 saw the firm advise Bank of America as the manager of a hefty \$2.25 billion 144A/Reg S private placement by EDF. The transaction consisted of two series of notes maturing in 2020 and 2040 respectively.

Another substantial deal saw du Vignaux lead a team advising the Société de Financement de l'Economie Française (SFEF), the entity set up to issue emergency loans to credit institutions, on the launch of nine debt issues guaranteed by the state and denominated in various currencies.

On the bond side du Vignaux was again involved as the team acted for Safran as the issuer of 4% notes valued at €750 million. The deal was a private placement on Euronext Paris. In covered bonds the team was busy advising on the updates of several programmes for the likes of HSBC and BNP Paribas.

Exchangeable bond work was the order of the day for the equity team last year. In June 2009 the firm advised Eurazeo as they issued 6.25% exchangeable bonds valued at €699.9 million. The bonds grant the right to exchange them for existing shares in Danone. Maurel & Prom also called on the firm to advise as it issued exchangeable bonds worth €297.5 million through a French public offering.

The team also acted on the other side of the table for the underwriters BNP Paribas, Société Générale, Citi Group and HSBC on a €201 million issue of exchangeable bonds by Faurecia through a French public offering and a private offering to international investors. In May 2009 a capital increase of Faurecia also required the firm's attention as it worked for a number of banks on the issue of shares worth €455 million.

A key deal in covered bonds saw the firm act on a €5 billion issue for General Electric Money Bank. The firm advised on the creation of the issuer.

Along with Freshfields, the Gide securitisation team is one of the most highly respected on the market. Unsurprisingly given the current climate, one of the team's biggest transactions last year was the restructuring of a real-estate deal. The team acted for Eurotitrisation,

the management company of Windermere XII FCT in the restructuring of the €1.6 billion transaction, which was the largest CMBS transaction in France.

#### Leading lawyers

Xavier de Kergommeaux  
Jean-Marc Desaché  
Patrice Doat  
Gilles Saint-Marc

### Linklaters

Linklaters' capital markets offering in Paris is formidable and drew respect from clients and rivals alike. The firm's traditional strength lies in debt, "They have huge experience of debt capital markets and their partner Gilles [Endréo] is really the reference on the French market," says one client.

Endreo's reputation among clients and peers was exemplary. "He can easily give an example of a transaction done in 1995 which is the only one ever done, he knows many, many legal issues and he's a pragmatic way of solving problems," says a client, "he's really regarded highly by the other debt capital markets partners in Paris as the main guy."

On the debt side a key deal worked on by the firm was the establishment of a €5 billion EMTN programme for Areva. The team led by Endréo worked for both the arranger Société Générale and the dealers, which included among others Deutsche Bank, BNP Paribas and HSBC. The team also worked for the lead managers on the first two bond issues under the programme.

Endréo also worked alongside Cenzi Gargaro on the Casino exchange and tender offer in January 2010. The team advised the joint dealer managers including BNP Paribas, Natixis and Société Générale, as well as the agent, BNP Paribas Securities Services, on the deal, which allowed the holders of Casino bonds to exchange their bonds for shares or cash. This was the first deal of its kind in the French market and the dual structure allowed Casino to get favourable conditions on the exchange as a result of its isolation from the tender offer.

Gargaro was again involved as the firm acted for the Société de Prise de Participation de l'Etat (SPPE), the State's emergency securities issuer, on a €20 billion global commercial paper programme launched in October 2009. The issue guaranteed by the state and offers both Euro and US commercial paper.

The firm was involved in two other first time issues. In December 2009 it advised GDF Suez on its first issue of five year Samurai bonds valued at ¥65 billion (€598 million). Earlier in the year in October a team led by Gilles Endréo worked for Deutsche

Bank, JPMorgan Securities and Natixis as joint bookrunners and lead managers of BPCE's €750 million 9.25% Tier I undated deeply-subordinated notes - the bank's first issue of Tier I debt regulatory capital. The deal included a series of public offers across the EU.

The equity team led by Philippe Herbelin also had an active year. One of the biggest transactions saw the team working for the underwriters on Rusal's \$2.2 billion dual-listed IPO in Hong Kong and Paris. As well as being the first time a Russian company has listed in Hong Kong, the transaction is also notable as being the first Main Board listing in Hong Kong without a retail tranche and the largest foreign listing on Euronext.

As the domestic IPO market returned to France the firm wasted no time getting itself involved. A team led by Séverin Robillard and Philippe Herbelin advised Medica on its €290 million IPO; the first by a French company in 2010. The drought in the market was highlighted when the deal's international tranche was three-times oversubscribed.

The team also played a part in the French state's financial recovery programme. The firm advised Société Générale on its recapitalisation through an injection of state funds into the bank in the form of preference shares reserved for SPPE. Partner Gilles Endréo had chaired the initial working committee on the preference shares regime, which gave the firm in depth knowledge of the new regime. The team also worked on the first preference shares issue for BNP Paribas in March 2009.

The structured finance group at Linklaters has a clear focus on derivatives, which proved to be a lucrative market for the firm in the last year. Closing in May 2009 the team acted on a €8.25 billion transaction advising Fortis on a call option agreement granted by SFPI/FPIM, a Belgian state owned holding company. The deal forms part of BNP Paribas' acquisition of Fortis. The team also advised OTCDerivnet on the French elements of the establishment of SwapClear - a global clearing service which deals with roughly 70% of global interbank interest rate swaps.

Activity was also seen in securitisation, where the team advised BNP Paribas on a €1 billion securitisation of consumer loans and Natixis on a €1.12 billion securitisation of a pool of 16 commercial mortgage loans.

#### Leading lawyers

Gilles Endréo  
Philippe Herbelin

### Shearman & Sterling

"I would say that I would go to the firm for complex operations, they are really at the high-end of the market," is one client's opinion of Shearman & Sterling's capital markets team. "The quality of the job, there was nothing to say, it was exactly what we needed." Though some rivals noted that the team has not been seen as often recently, this is more to do with the paucity of complex transactions rather than a reduction in quality.

A leading figure at the firm is Herve Letréguilly and this status was backed by clients: "Extremely proactive and he's got an outstanding reputation on the market, he's extremely well known," says one.

One of the firm's most impressive transactions last year and one led by Letréguilly himself was Société Générale's €4.8 billion capital increase, undertaken to repay government loans. The deal included public offerings in a number of EU jurisdictions and a private placement to institutional investors.

The firm had a good run on capital increases in mid to late 2009 acting for Danone in a €3 billion deal which was the largest deal of its kind ever undertaken in the French food sector. Bertrand Sénéchal and Robert Treuhold led the Shearman team and Sénéchal also showed his flexibility when he was called on in by the joint lead managers and bookrunners Clayton and Natixis in a €51 million capital increase of Club Méditerranée. Another highlight saw the firm act for Nicox in a €30 million private placement combined with a €70 million capital increase.

On the debt side Herve Letréguilly and Robert Treuhold found themselves heavily involved in the *oceane* (convertible bond) market. In July 2009 the firm acted for the underwriters, including Calyon and Citigroup Global Markets, in Peugeot's €575 million bond offering. The firm took on a similar role in Alcatel-Lucent's €1 billion offering in December 2009 again acting as underwriters counsel. The deal included a repurchase of 14.96% by way of a reverse bookbuilding. The partners took up another role in November 2009 acting for the issuer Altran Technologies in a \$132 million convertible offering due in 2015.

#### Leading lawyers

Hervé Letréguilly  
Sami Toutounji  
Robert Treuhold

### Debevoise & Plimpton

Another US firm with an extremely strong equity offering on the French market is Debevoise & Plimpton. The team combines

French and US legal knowledge in a five partner-strong team. "We see Debevoise they were very active on IPOs," says one rival.

Client are impressed by the firm's assimilation into the local market: "They are extremely pragmatic and they know the regulation very well. They know the French market very well and they have connections with the stock exchange," says one.

The firm's team is led by managing partner Pierre Clermontel and he is also the figure most often praised by clients: "Extremely pragmatic, straightforward, he only makes comments which need to be made, he's not over reactive," says one.

The firm was extremely active in the rejuvenated bond market at the beginning of 2010. One of the biggest deals saw the firm act for Pernod Ricard in a €1.2 billion six-year bond offering closed in March 2010. Alstom also sought the team's advice in two separate bond issues in January and March 2010 with values of €750 and €500 million respectively.

Another major client is Natixis and the firm advised the company on two capital increases. The first, in October 2009, of Cellectis and the second in December 2009, a €50 million capital increase of Atari.

### De Pardieu Brocas Maffei

The capital markets team at De Pardieu Brocas Maffei is led by Antoine Maffei, Pierre Minor and Oliver Hubert.

Minor leads the equity operation and last year he acted as counsel to Crédit Agricole-CIB over an equity-put option and a repurchase contract in the acquisition of a stake in a French CAC40 company. Minor was also called in by Société Générale to act on the restructuring of a prepaid forward linked to an equity swap. There was also restructuring work completed for Natixis as the firm advised a French corporate on the restructuring of a credit agreement.

On the debt side Olivier Hubert was kept active, first advising GDF Suez over the issue of project bonds issued by the energy company's SPV in the Middle East. Hubert also acted for Crédit Agricole-CIB on energy derivatives as part of the creation of a joint venture to encourage the trade of electricity, gas and coal future contracts and derivatives.

Although the securitisation market is hardly booming, the team did advise Grenke Leasing on the securitisation of the rentals of office equipment. In structured finance Pierre Minor advised Macquarie Bank over the structure of a collateralised structured finance based on a equity put option.

## Hogan Lovells

It is fair to say that it is the former Lovells partners who form the spine of the practice in the new Hogan Lovells capital markets set up, although on the equity side the team is boosted by former Hogan & Hartson partner Jean-Marc Franceschi.

The key figures at the new firm remain Philip Boys and global capital markets head Sharon Lewis. Lewis in particular is a favourite among clients: "She has a way of anticipating the difficulties. I have really always enjoyed working with Sharon and her team because they really have the business mind," says one, "I'm not working with lawyers who are just lawyers but a team that understands how I balance my cash flow and who understand my financial strategy."

The firm's combined capital markets practice, although less specific, was also seen in a favourable light. "They can answer a question about a plain vanilla bond issue or a complex securitisation, that is something I don't think I have ever seen," says one client.

Arguably the team's main strength lies on debt transactions and a key client is EDF. The first was a €3.2 billion French public retail bond issue which formed part of the energy company's €20 billion EMTN programme. The firm also worked on updates for the EMTN programme itself. The second, with a more international flavour saw the team work closely with its Tokyo office on the sale of Samurai bonds valued at €820 billion. The team also worked on a €1.4 billion issuance of Swiss stand-alone bonds.

Phillip Boys as head of the Paris capital markets team is the main partner for equity matters and last year he advised Segro on a £500 million rights issue and a £250 million capital increase and share consolidation, which was dual-listed on Euronext Paris and in London.

In the securitisation area the team advised FCE Bank as originator, servicer and cash manager on a number of deals including, two public securitisations valued at €487 million and €225 million and two privately placed deals valued at €708 million and €717 million.

### Leading lawyers

Sharon Lewis

## Sullivan & Cromwell

Sullivan & Cromwell's strength lies in the equity market and clients were quick to praise the firm's attributes. "I have only the best of things to say about their work," says one, "literally they have earned their fees every time. When you have a complex transaction we only look at them."

One of the firm's leading lights is US qualified Krystian Czerniecki; since his transfer to the Paris office in 2008 he has wasted no time in building a reputation and clients appreciated his knowledge in the context of cross border deals. "He has great expertise in emerging markets and he has brought that to the deals in emerging markets procedures," says one.

It was Czerniecki who led the firm's team on a substantial deal last year for EDF. Sullivan advised the company on a \$2.25 billion offering of Rule 144A/Reg S notes. The offering consisted of \$14 billion 4.6% notes due 2020 and \$850 million of 5.6% notes due 2040. Another substantial deal saw the firm acting for Total in the establishment of a SEC-registered debt shelf in 2009. The deal involved two separate notes issues of 4.25% and 3.12% respectively, each valued at \$500 million.

In February 2010 Czerniecki also advised the Council of Europe Development Bank (CEB) in a public offering of \$1 billion worth of 2.75% notes. This was the bank's first public offering in the US.

On the equity side Czerniecki and Richard Vilanova acted for the underwriters in Axa's €2 billion capital increase including preferential subscription rights. The deal included public offerings in a number of jurisdictions. Another highlight was the firm's work, again for the underwriters, in the €926 million IPO of CFAO a subsidiary of PPR. The deal, closed in December 2009 consisted of a public offering in France and a Rule 144A/Reg S international offering.

### Leading lawyers

Dominique Bompont

Krystian Czerniecki

Richard Vilanova

## White & Case

Although traditionally US firms have a stronger offering on the equity market in France, White & Case is better known for its debt offering. One of its biggest transactions last year saw the team advise Calyon, the Royal Bank of Scotland and Bank of America/Merrill Lynch as the co-ordinators and bookrunners in Rexel's €500 million offering of senior unsecured notes.

The firm again acted for the banks in Global Crossing's \$750 million offering of 12% senior secured notes. The team advised Goldman Sachs, Credit Suisse and JPMorgan as bookrunners of the deal. Another highlight saw the team acting for Novasep Holding as issuer over a proposed €370 million offering of senior secured notes.

Deutsche Bank also called in the firm to advise it as the initial purchaser of a €200

million guaranteed senior secured high-yield bond issuance of IFCO systems.

On the equity side, the team had a role in the Medica IPO, advising private-equity house BC Partners on the €275 million transaction.

## Other ranked firms

Driven by its strong corporate offering, Bredin Prat's strength is more on the equity side of the capital markets. The team is led by Patrick Dziewolski and Olivier Saba and both were involved as the firm took a role advising UC Rusal on the Euronext listing aspect of the Russian companies concurrent listing in both Paris and Hong Kong.

Saba was again involved as the firm acted for the Société de Prise de Participation de l'Etat (SPPE), an entity created as part of the state's bank recapitalisation programme, on the issuances by BNP Paribas and Société Générale of non-voting preferred shares reserved to the SPPE and valued at €5.1 billion and €1.7 billion respectively.

Two other highlights included advice to Danone on its €3 billion capital increase in June 2009 and work for CFAO on a €927 million IPO, a deal which signalled a slight return for the French IPO market.

On the debt side a team led by Olivier Saba acted for Lagardère on its first public bond issuance valued at €1 billion. Other highlights included acting for Christian Dior on an issuance of 3.75% notes valued at €350 million and advising Eurazeo Danone on a €500 million exchangeable bond issuance.

Davis Polk & Wardwell's capital market's practice is largely based around the Rule 144A/Reg S note market and it has been involved in some notable transactions last year as the market returned.

The firm advised Dexia Crédit Local on the US aspects of three Rule 144A/Reg S offerings in June 2009 and January and March 2010. The deals were valued \$2 billion, \$4.5 billion and \$2.5 billion respectively and each was split between fixed and floating rate notes. The firm also acted for the banks as managers of three Rule 144A issuances for Crédit Agricole with a combined value of \$3.5 billion.

The team also advised the banks as co-ordinators, bookrunners and representatives of the underwriters on two SEC registered offerings of equity and senior convertible notes by ArcelorMittal.

Another highlight was the firm's work for Technicolor in connection with its debt restructuring, a transaction which included a rights issue of approximately €348 million, an issue of €640 million and disposable proceeds notes of approximately €251 million.

Led by Pierre Servan-Schreiber, the **Skadden Arps Slate Meagher & Flom** capital markets team acted for industrial mineral producer Imerys last year on a €251 million capital increase via a rights issue and a Reg S placement of shares. The team also acted for Mayroy over a private placement of 4 million shares in the biotechnology care group Ibsen.

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### Banking

Recommended firms	
<b>Tier 1</b>	Allen & Overy Gide Loyrette Nouel Linklaters White & Case
<b>Tier 2</b>	Clifford Chance De Pardieu Brocas Maffei Latham & Watkins
<b>Tier 3</b>	Ashurst Norton Rose Shearman & Sterling
<b>Tier 4</b>	Freshfields Bruckhaus Deringer Herbert Smith Lovells Orrick Rambaud Martel
<b>Tier 5</b>	Cleary Gottlieb Steen & Hamilton JeantetAssociés Mayer Brown Simmons & Simmons

Banking is returning slowly to the French market, but restructuring is still the king, as it is all over Europe. If there is a trend in new lending it seems to be a penchant for simplification; a clear backlash against the demonised intricacy that is blamed for the global financial crisis. "It feels like we have gone back a decade in terms of the level of structure and complication in transactions," says one partner.

Deal size has also been reduced with few banks wishing to risk capital on large transactions. "We're seeing signs of recovery it seems that in terms of deal activity the deals are smaller," says one partner.

An interesting idea that firms may need to be aware of in the post-crisis market is their involvement in any deals linked to the crisis and the perception this may create within institutions. "They are some players in the big banks, a generation of heads of corporate and finance departments that have retired and new teams are starting to operate," says one banking partner.

"They look at the law firms who were working with their predecessors with suspicion and link them to the structures created by their predecessors."

### Allen & Overy

Allen & Overy's team in Paris is led by English partner Rod Cork. "Very good, drove the process well on the legal side," says one client. "He was always available whenever we needed him."

The firm's name has always been synonymous with the banking market and clients note the team's flexibility in transactions: "They are technically very good overall," says one client. "They have the skills and the team to work on all types of transactions." Another concurs: "We always work with them on the complicated banking aspects."

A clear highlight for the team last year was its advice to the lead arrangers, including HSBC and Société Générale, on a \$381 million and \$375 million multi-tranche export finance facility for Hyundai Steel Corporation. This was the first multi-source export credit agency transaction for a Korean borrower and involved six agencies including Euler Hermes and ODL.

One of the team's biggest deals last year saw them advise the arrangers, including Calyon, on a €2.5 billion refinancing of Saint-Gobain. The team was also active in the busy real-estate market advising an investor on the restructuring of Cœur Défense, itself a major investor in the Windermere XII €1.6 million CMBS transaction.

As the acquisition finance market began to find its feet again the firm was involved advising a number of banks including BNP Paribas, HSBC and Natexis on a €210 million financing to the Financière group for the acquisition of Eurogem and VPMN.

Other work included ongoing assistance to BNP Paribas on its €15 billion programme of *obligations foncières* (covered bonds). The deal was the first ever multi-jurisdictional public sector issuance of these instruments.

### Leading lawyers

Rod Cork

### Gide Loyrette Nouel

As you might expect from one of the biggest firms in France, Gide Loyrette Nouel has a firm grip on the domestic banking market. "Gide are experts for all French aspects, so when only France is concerned Gide are the best," says one client.

A leading figure in the Gide Loyrette Nouel banking team is Eric Cartier-Millon, who led the firm's team on a number of sub-

stantial deals last year. In December 2009 Cartier-Millon led the Gide team acting for CA-CIB and BNP Paribas on the €1.7 billion refinancing of the Rexel group. The deal was implemented through a high-yield notes issue and a credit facility.

Another deal saw Cartier-Millon advise the Royal Bank of Scotland as the arrangers of the senior debt in relation to the IPO of Medica.

One of the busiest areas in the market unsurprisingly is the refinancing of real-estate deals. The Gide team has been heavily involved in this type of work on the arrangers side, none more so than leading partner Kamel Ben Salah. "All aspects of his work are impressive, he has a general approach but he also has very long experience," says one real-estate client.

An example of this type of work saw Ben Salah advise Eurohypo CA-CIB and Credit Foncier de France as the mandated arranger and co-arranger in the €180 million debt refinancing of three companies owned by Teachers.

Another notable deal saw the team advise the arrangers including HSBC France and Crédit Foncier de France in the €172 million refinancing of some subsidiaries of Parholding, a joint venture between SFL and Prédica. Ben Salah again acted for the arrangers on the €305 million refinancing of the acquisition and financing of the refurbishment of the CB 21 Tower.

#### Leading lawyers

Kamel Ben Salah  
Eric Cartier-Millon

#### Linklaters

One of Linklaters' key strengths in the Paris market is its capacity in the debt restructuring work, a attribute that has proved to be lucrative in the current market.

Last year a team led by Olivier Jauffret acted for ING, LBO France and Terreal Holding as the leaders of the €902 million debt restructuring of the Terreal Group. The deal consisted of part of the debt being converted into bonds redeemable into shares.

In the active area of real-estate financing a team led by Olivier Jauffret and Arnaud Fromion advised Invista European Real Estate Trust Sicaf on the €360 million refinancing of its portfolio by Bank of Scotland. The deal spanned nine jurisdictions and involved partners from the firm's wider network.

Although the market for new LBOs was sluggish last year, the team still took on notable work. Nathalie Hobbs led the team advising Montagu Private Equity over a €60

million senior secured facility to finance the acquisition of the ADB group.

In the telecoms sector the firm worked on the acquisition of Altice Blue One, advising Calyon, Natixis and ING as arrangers and lenders of the €55 million credit facilities made available for the deal.

#### Leading lawyers

Bertrand Andriani  
Nathalie Hobbs  
Olivier Jauffret

#### White & Case

In the White & Case banking team, Raphaël Richard is perceived by the market to be the dominant personality. "It's always related to the partner, Raphaël Richard," says one client. "He's very active, very good on leveraged transactions."

Richard's personal specialisation is reflected by the firm and peers had a clear sense of where its strength in Paris lies. "When I think of acquisition finance I think of White & Case," says one banking peer.

Like most firms, the team had to deal with a fair amount of debt restructuring work. One of the biggest deals saw the team acting for the senior and second tier lenders on a €1.75 billion restructuring of Materis. The firm also advised the lenders and mezzanine bond holders on the \$805 million debt restructuring of Deutsch Connectors.

Deutsch Bank also called in the team to advise on amendments and restatements of Smurfit Kapp's €3.8 billion senior credit facility and priority agreement.

Another substantial deal saw the firm representing Crédit Agricole as the agent in a €350 million senior revolving facility and a €2.28 billion bridge to asset financing facility as part of the reorganisation of the Europcar group.

In terms of new lending last year, the team advised Crédit Agricole, Crédit Lyonnais and Société Générale as the arrangers of a €110 million credit facility granted to Alten and Alten Cash Management.

#### Leading lawyers

Gilles Peigney  
Raphaël Richard

#### Clifford Chance

The team's reputation in France was formed in the boom years when it was seen as a leader in the high-end and structured finance markets. "When the deal activity was particularly high they had a lot of work and also in structured finance," says one peer. "They are still

active but they will have suffered a little [in the financial crisis]."

When substantial deals do arise however the firm is still at the forefront. In February 2010 it advised the mandated lead arrangers in the €320 million financing for the acquisition of Spotless by BC partners. Another notable transaction saw the firm advise the arrangers in the €290 million financing for the acquisition of Easycash.

The banking department at Clifford Chance is led by Thierry Arachtingi and last year he advised a consortium of banks including BNP Paribas, Calyon and Société Générale as mandated lead arrangers and bookrunners in a €1.75 billion revolving and swingline facility agreement to Banque PSA Finance.

Arachtingi was again involved alongside Mustapha Mourahib and Gilles Lebreton advising Goldman Sachs, Eurohypo, Calyon and the Royal Bank of Scotland as the mandated lead arrangers in the €7 billion debt restructuring of the Immobiliaria Colonial group.

The regulatory team also has a prominent position in the market and partners Frédéric Lacroix and Bruno Fatier were involved in all the firm's main work last year including: the set up of payment services directives for the likes of HSBC and BNP Paribas; advising Goldman Sachs, Nomura and Barclays on the Autorité des Marchés Financiers' (AMF) short selling ban; and advising Barclays and Barclays Capital on issues surrounding financial institution licensing.

#### Leading lawyers

Thierry Arachtingi

#### De Pardieu Brocas Maffei

The banking team at De Pardieu Brocas Maffei was praised for its work in the domestic market and competitors pointed out that one of the team's key strengths is its flexibility and less specialised approach. "De Pardieu has a fairly general banking practice, they do pretty much anything," says one rival.

In the current climate this has proved to be a strength as the firm can take up any work that may come its way. "De Pardieu, their generalist attitude has probably served them quite well in the downturn," explains one rival.

One of the firm's key mandates last year came from the Wendel Group, who called in the team to advise on the substantial restructuring of Saint-Gobain. The deal consisted of several financings relating to the acquisition of a stake in the share capital of Saint Gobain and for a syndicated loan.

Another highlight saw a team led by Jean-Renaud Cazali advise Caisse des Dépôts and Consignation in the €650 million financing of the Airbus A350 program.

The team also advised the banks in the set up of debt for the acquisition of Fareva.

#### Leading lawyers

Thierry Brocas

#### Other ranked firms

**Shearman & Sterling** suffered a blow in July 2009 after partner Martin Lebeuf departed the firm to join French domestic Darrois Villey Maillot Brochier. Rivals noted that this is likely to prove a major blow as Lebeuf was a key figure at the firm. "Shearman has lost Martin Lebeuf so on the banking side they are weaker," says one, while another adds: "Shearman, good firm, no question, but I'd list Martin Lebeuf"

One of the firm's largest deals last year saw them act for Natixis and Crédit Foncier de France over the acquisition and subsequent refinancing and restructuring of debt held by Goldman Sachs against a subsidiary of Colony Capital relating to a hospital acquisition.

One of **Freshfields Bruckhaus Deringer's** biggest deals saw the firm act for the arrangers on a €1 billion loan facility for Lafarge. The team also acted for RREEF over the reorganisation of Le Printemps for €750 million.

Another substantial deal saw a team led by Hervé Touraine and Fabrice Grillo advise the French state over the renegotiation of its €5 billion investment in Banque Populaire and Caisse d'Epargne. In July 2009 the team advised Société Générale and a pool of other banks in a €400 million financing to the SAFT group, Antonin Besse was the partner leading the deal.

The head of **Hogan Lovell's** banking and finance team in Paris is Richard Jadot and last year he, along with Guergana Zabounova, advised Natixis, Credit Agricole, CIB, SMBC and HSH Nordbank in the \$260 million financing of the first two Airbus A380s to Air France. The team was also boosted by the arrival of partner Michael Quere from Dewey & LeBoeuf.

**Cleary Gottlieb Steen & Hamilton's** biggest deal last year saw it advise the Rexel group over a €1.7 billion senior credit agreement, this came as part of the refinancing of Rexel's €2.7 billion senior credit facilities.

Leading this deal and many other portfolio highlights was Valérie Lemaitre. One other example saw her advise CFAO over a €300 million syndicated credit facility in connection with its IPO which the firm also advised over.

Another interesting deal was the firm's work for Valeo, advising on the negotiation of the company's €300 million loan facilities from the European Investment Bank. The loan is to finance the bank's research into reducing CO2 facilities. In addition to this the team also acted for the firm on the re-negotiation of the firm's existing facilities of €941 million and €225 million.

The team was also kept busy with restructuring mandates and Lemaitre was again involved acting for Kaufman & Broad in the restructuring of a €681.5 million debt. The deal included the provision of €75 million liquidity facility. Another notable mandate in this area saw the firm acting for Manitou in a €385 million debt restructuring of a €385 million multi-currency facility.

**Jeantet's** banking team is led by Jean-François Adelle who last year advised the Michel Thierry Group on a credit restructuring. Similar work was undertaken for Triumph who the team advised on both its financing and restructuring. The area proved to be a busy one for the team and Adelle also worked on the refinancing of Multisol by KBC.

One of **Mayer Brown's** main clients in banking is Natixis and last year the team advised the company on two separate restructuring deals. In one the team advised on amendments to a €110 million loan in relation to a French clinics group, while another saw the firm advise on the rescheduling of a €150 million loan related to a Paris based property.

Another deal of note saw the firm advise 17 Capital over a mezzanine investment in a portfolio of assets owned by Altamis Amboise. The €30 million deal was led by Xavier Jaspard.

## Mergers and acquisitions

### Recommended firms

#### Tier 1

Bredin Prat  
Cleary Gottlieb Steen & Hamilton  
Darrois Villey Maillot Brochier  
Gide Loyrette Nouel  
Linklaters

#### Tier 2

Clifford Chance  
Freshfields Bruckhaus Deringer  
Sullivan & Cromwell  
Weil Gotshal & Manges  
Willkie Farr & Gallagher

#### Tier 3

Allen & Overy  
Ashurst  
Davis Polk & Wardwell  
Debevoise & Plimpton  
Jones Day  
Latham & Watkins  
Orrick Rambaud Martel  
Shearman & Sterling  
Skadden Arps Slate Meagher & Flom  
White & Case

#### Tier 4

Brandford-Griffith & Associés  
Fried Frank Harris Shriver & Jacobson  
Hogan Lovells  
JeantetAssociés  
Mayer Brown  
Salans  
Veil Jourde

#### Tier 5

August & Debozy  
Baker & McKenzie  
CMS Bureau Francis Lefebvre  
Franklin  
Herbert Smith  
Norton Rose  
Paul Hastings Janofsky & Walker  
Proskauer Rose  
Simmons & Simmons  
SJ Berwin

## Private equity

### Recommended firms

#### Tier 1

Latham & Watkins  
Weil Gotshal & Manges

#### Tier 2

Linklaters  
Mayer Brown  
SJ Berwin  
Willkie Farr & Gallagher

#### Tier 3

Ashurst  
Bredin Prat  
Cleary Gottlieb Steen & Hamilton

#### Tier 4

Allen & Overy  
Clifford Chance  
Freshfields Bruckhaus Deringer  
Gide Loyrette Nouel  
Hogan Lovells  
Salans  
White & Case

#### Tier 5

Ayache Salamala & Associés  
Debevoise & Plimpton  
Jones Day  
Shearman & Sterling

The general state of the M&A market in France is summarised by one lawyer: "It's like an emergency room full of doctors and patients, some are dead, some are just in a coma."

What new work there is has been born out of companies wanting to divest themselves of under performing or non-essential assets. "We have seen restructuring," says one partner. "People spinning out things which were not part of their core business." This consolidation has been seen right across Europe with companies closely scrutinising their portfolios for waste and retreating to their home markets.

An area which firms had been hopeful of seeing new work arising in distressed assets, although so far the anticipated wave has not hit. "In France the market slowed down in distressed assets, it was quite active outside of France, people were expecting a boom but it didn't really happen," says one corporate lawyer. Another partner agrees: "Less than we anticipated, we saw non-essential assets being spun out but not so much on distressed assets."

This is a reflection of the market as a whole as a pervading air of caution continues to keep activity levels low. "It's possible that the market will pick up again but people were saying

the same thing last year," says one partner. "Everyone is expecting that market to pick up."

The market is also being slowed by the discrepancy in the pricing expectations between buyers and sellers. "Strangely the reason why we have had this is not the credit crunch but the expectations of the sellers," says one corporate partner. "Normally in a crisis prices decrease but this has not been the case."

Where activity is being seen is in industries which are considered non-cyclical or those which can guarantee a steady cash flow, as one partner points out: "If there isn't a guaranteed revenue stream people are not interested." Pharmaceuticals, healthcare and energy are all proving popular for these reasons and are providing steady if not particularly high-flying work for corporate practitioners. Most of the deals in this area are in the mid- to small-cap range.

Some signs of recovery have been seen in the first few months of 2010 however. "In March there has been a real uptake in the market this has been related to the value of the [US] dollar against the euro," says one partner. This is being helped by an increase in liquidity, only slightly knocked off course by the issues in Greece. "Financing has become slightly easy and this is I think because there is quite a lot of money waiting to be invested," says an M&A partner.

In the private-equity market much of the activity is being driven by the need for funds to invest in new projects after the last few years of caution. "The private-equity funds seem to be in a position where they are at the end of an investment period," explains one partner.

The problem lies in the fact that many investors are looking at the same area of the market, which is increasing competition and prices. "Because transaction sizes have reduced you're seeing a lot of competition," says one partner. "If this continues that may prove a difficult market for our clients and for us."

### Bredin Prat

Bredin Prat holds an exalted position in the French M&A market and there is no argument from the market about its tier-one status. "Bredin Prat are the most famous French law firm, they are the guys on M&A," says one rival.

The department is led by Didier Martin and the team was boosted in January 2010 with the promotion to partner of Kate Romain. Clients were impressed by Phillippe Beurrier: "He's a very experienced guy and he was very good. He was on the other side of a deal we had and at that time and I thought 'I

should have this guy on my side'," says one client.

The biggest deal in the French energy market last year was the €4.19 billion privatisation of Areva T&D which saw parent company Areva sell the company to Alstom Holdings-Schneider Electric Consortium. A Bredin team led by Patrick Dziewolski represented the controlling shareholder of Areva, Agence des Participations de l'Etat (the government's shareholding agency) in the deal, which involved establishing a legal split between the activities of the acquired company and the Alstom-Schneider consortium.

Dziewolski was again involved, alongside Emmanuel Masset, as the firm represented Banque Populaire in its merger with Caisse d'Epargne creating BPCE, now the second largest retail and investment bank in the country. The nature of the deal required new legislation to be put in place to specify the aims and powers of the new bank.

Another substantial deal was the €1.27 billion acquisition of the personal care activities of Sara Lee by Unilever. Partner Brigitte Leclerc advised Unilever.

The firm's reputation lies squarely in the public M&A field, but this is not to say that they do not have a presence in private-equity transactions. Last year Nicolas Laurent, Raphaële Courtier and Matthieu Pouchepadass advised Towerbrook on the acquisition of the distressed Autodistribution group which was on the verge of insolvency. The deal brought the company out of the safeguard proceedings and was the first pre-pack arrangement of its type in France.

### Leading lawyers

Patrick Dziewolski  
Didier Martin

### Cleary Gottlieb Steen Hamilton

Much like Bredin Prat, Cleary Gottlieb Steen & Hamilton has a focus on the public side of the M&A spectrum and is one of the leading international firms in this area in the Paris market. "We have seen Cleary the most frequently of all the firms mentioned," says one peer.

Heading the department is Pierre-Yves Chabert who was popular with clients: "He's a smart guy, it's a real pleasure to work with him," says one.

In December last year a Cleary team led by Jean-Marie Ambrosi acted for Total in a €335 million binding offer by Jarden to acquire Mapa Spontex, a baby and home-care business. Another highlight saw the team act for Faurecia on a \$409 million acquisition of Emcon Technologies, a company specialising in technology designed to reduce vehicle car-

bon emissions. The deal was completed through a share offer to Emcon's main shareholder of 20.9 million shares in Faurecia.

In the distressed M&A area the firm advised one of its biggest clients, the Mittal Family Trust, in their acquisition of luxury fashion importer Escada which was under Chapter 11 proceedings. In December 2009 the trust had acquired the assets of Escada out of German insolvency proceedings.

One of the largest transactions involving the firm in this area saw Fabrice Baumgartner leading a Paris based team assisting Nortel Networks on the sale of its wireless infrastructure assets to Ericsson for \$1.13 billion. The firm has assisted Nortel in a number of transactions relating to its bankruptcy protection.

The firm has also had activity on the bank side, most notable acting for Credit Suisse Securities in their role as financial advisor to ParisRE Holdings on its acquisition of the outstanding securities of ParisRe. The deal, valued at \$2 billion was a multi-step transaction comprising of a block share purchase, a voluntary public exchange offer and, after 90% of shares had been acquired, a compulsory merger.

#### Leading lawyers

Pierre-Yves Chabert

### Darrois Villey Maillot Brochier

Darrois Villey Maillot Brochier is recognised by the market as one of the leading French domestics on the market with a clear specialisation on M&A. "I believe that definitely Bredin and Darrois are still on top," says one rival.

There was no doubt that the team had been active on the market and merits its tier one position. "Darrois are always on the other side," says one rival.

Smaller than rivals Bredin Prat and Gide Loyrette Nouel, Darrois has instead developed a more specialised practice rather than being a wide catch-all practice. "We work with them mainly on corporate, their main point is that they are very creative," says one client.

### Gide Loyrette Nouel

"They have business sense and can bring a bit more than just being a lawyer to a deal. They understand the deal and can provide advice on the deal itself and not just on the drafting," says one client of the Gide Loyrette Nouel corporate team. The market agrees with this assessment. "Gide - they are really present and they understand well the market," says one peer

The firm moves up to the first tier this year after numerous recommendations and a visibility on major transactions.

Clients singled out partner Youssef Djehane for specific praise: "He can demonstrate added value, he's very clever and very creative and Youssef is one of the two or three lawyers for listing opportunities, he's quite hard ball," says one.

One of the firm's biggest deals on the cross-border side saw Didier Martin acting for the Belgian state on a €14.5 billion acquisition of the remaining shares of Fortis Bank. These shares were then passed to BNP Paribas in exchange for an 11% stake in the share capital of that bank.

Another substantial deal was the team's work for French rail company SNCF over the formation of Eurostar International, the new operator of Eurostar's rail services. The deal, which saw the team work alongside colleagues in London and Brussels, involved the creation of a new fully integrated company to run the Eurostar service. The deal took advantage or new EU regulatory rules introduced in January 2010.

SNCF also called on the firm to advise over domestic matters. One deal saw Serge Tatar advising the company over the increase of its shareholding in Keolis to 56.7% through the contribution of subsidiary Effia. The team also acted for the company in the acquisition of the remaining 50.6% stake in Ermewa from Investors in Private Equity (IPE).

Other domestic highlights included a major bank merger as Christopher Eck advised CNCE over its €40 billion merger with Banques Populaires to create France's second largest banking group.

Didier Martin, who is highlighted by the market as one of the firm's stars, acted on a complicated multi-step deal last year acting for MSREF, a subsidiary of Morgan Stanley, on the acquisition by Icade of a 94.5% stake in property firm Compagnie la Lucette. As well as a straight sale to Icade of a 35% stake in the company the deal also included an exchange for Icade shares making it the second largest shareholder.

Another leading lawyer with his hands full was Antoine Bonnisse who advised Areva over the disposal of its transmission and distribution business to Alstom/Schneider Electric for €4 billion - one of the biggest deals in France in recent years.

#### Leading lawyers

Antoine Bonnisse

Didier Martin

Jean-Emmanuel Skovron

### Linklaters

There was much praise in the market from clients and rivals alike for the corporate team at Linklaters. "Linklaters are one of our fiercest competitors on the Paris market but like us it's M&A and PE together," says one peer. "Linklaters is the most successful UK firm on the corporate front."

Clients agree: "They are very able to work simultaneously on similar aspects of the deal. They are very well organised, quite imaginative during the negotiation." This recognition sees an upgrade in the M&A table for the firm to tier one.

The leading figure in the corporate team is Fabrice de La Morandière, and it was he alongside Vincent Ponsonnaile who advised Schneider Electric on the acquisition of Areva T&D for €4.09 billion. The deal was the largest energy deal in the French market in 2009 and the firm's client had competition from two rival bidders from the deal.

In the pharmaceutical area a Paris team led by Pierre Tourres and Patrick Rignell worked closely with the firm's New York team to advise on the \$4 billion acquisition by Sanofi-Aventis of Merck's interest in Merial. The deal also included an option to acquire Intervet Schering-Plough.

Another substantial deal saw Bruno Derieux acting for UBS and PartnerRE on the \$2 billion (€1.5 billion) takeover for Paris Re. The deal is an ongoing public exchange. Derieux was again involved alongside Pierre Tourres advising Sperian Protection on the proposed €536 million takeover by private-equity fund Cinven.

#### Leading lawyers

Thierry Vassogne

### Clifford Chance

One of the firm's biggest transactions last year saw the team advise Gas Natural on the sale of part of its power assets in Mexico to Mitsui and Tokyo Gas. Laurent Schoenstein led the firm's team on the deal which was valued at €825 million. The energy sector proved to be quite a lucrative area for the firm who also advised Farwind Energy in June 2009 over the acquisition of three wind-farm companies by Energiequelle from Theolia.

In February 2010 Pierre Gromnicki, Daniela Weber-Rey, Alexandra Hayes were all involved in a substantial transaction for Eurovia, advising the company on the acquisition of quarries in France, Germany, Poland and the Czech Republic from Tarmac. Pierre Gromnicki was also called in by Eurovia to act in the €150 million acquisition of Vossloh Infrastructure.

Gilles Lebreton meanwhile was called on by Vivendi to act on its public offer for the share capital of Brazilian telecoms company GVT.

On the private-equity side one of the largest deals was again in the energy area as a team led by Laurent Schoenstein advised Babcock and Brown on the sale of its wind farm portfolio in France to Holding Energies Renouvelables and Eurowatt Energies Renouvelables for €220 million. Schoenstein was also in action in July 2009 acting for Duke Street Capital on the sale of a 30% stake in Groupe Proclif, valued at €272 million, to Predica.

### **Freshfields Bruckhaus Deringer**

Freshfields Bruckhaus Deringer moves up a tier this year after the market noted that it was a lot more active than its ranking suggested. This is perhaps unsurprising given the firm's traditional strength in the corporate M&A area, and the firm's transaction list in the last year backs this up.

Clients pointed out that one of the firm's strengths was its ability to take a hard line on difficult transactions: "I appreciated that they dared to say things which weren't always nice but very useful to deepen our interests, so they were very frank. It was very good advice because they didn't always say things we wanted to hear," explains one client, who specifically highlighted Patrick Bonvarlet: "This praise is related especially to him, he was very polite but he told you the truth."

Among the firm's biggest deals last year was its advice to the French state over the terms of its €5 billion investment in BPCE after the merger between Banque Populaire and Caisse d'Epargne. Leading the Freshfields team were partners Patrick Bonvarlet and Alan Mason. In a similar state-linked transaction, the firm acted for Icade and its main shareholder the Caisse des dépôts et consignations (state pension safeguarding institution) on the €1.5 billion acquisition of a stake and subsequent tender offer for Compagnie la Lucette from the Morgan Stanley Real Estate Fund V.

In the troubled automotive sector, another large client Daimler called in Fabrice Cohen last year to advise on a €1.25 billion cross shareholding transaction with Renault and Nissan. The three companies have entered into a business alliance with various co-operation agreements.

The team also advised Total on its €725 million acquisition from Dow of a 45% stake in the Flessingue refinery. The stake was subsequently sold to Lukoil.

The Paris team on the private-equity side was reduced in May 2010 as Bertrand Pellet relocated to Dubai to take up the position of

head of MENA (Middle East & North Africa). He finished his time in Paris with two notable deals. The first saw him advise real estate fund RREEF on the reorganisation of Printemps with a value of €750 million. In the second he advised Lafarge in the financial restructuring of a portfolio company owned jointly by Lafarge and PAI funds.

Other private-equity highlights include advice to Antin Infrastructure partners on a 33.3% stake acquisition in the share capital of the holding company of the Pisto group. The team also advised Fonds Stratégique d'Investissement (a French sovereign wealth fund) on a €160 million investment into the microprocessor manufacturer Gemalto.

#### **Leading lawyers**

Vincent Macq  
Chris Sunt  
Geert Verhoeven

### **Sullivan & Cromwell**

A key figure at Sullivan & Cromwell is Dominique Bompont and he was involved in most of the team's key transactions last year including one of the year's biggest deals, a €6.6 billion merger of the asset management businesses of Crédit Agricole/Société Générale Asset Management. The firm represented Crédit Agricole in the deal that creates the fourth largest asset manager in Europe. The joint venture is 70% owned by Crédit Agricole and 30% by Société Générale.

A standout deal for the team this year saw both William Torchiana and Olivier de Vilmorin involved as the firm advised Paris Re on a combination agreement with Bermudian reinsurer PartnerRe including the acquisition of the outstanding securities of Paris Re by PartnerRe. Valued at €1.5 billion, the deal's structure was innovative enough to win it the 2009 *IFLR Magazine* European M&A Deal of the Year award.

Both Bompont and de Vilmorin were also called in to advise EDF on the €1.3 billion acquisition of a 51% stake in SPE from Centrica Overseas Holdings.

#### **Leading lawyers**

Gauthier Blanluet  
Dominique Bompont

### **Mayer Brown**

Mayer Brown, alongside SJ Berwin, is considered by the market to be a leader in mid-market private equity. "Mayer Brown are a different package now because the size of transactions are smaller, they have been very active," says one rival. This is not to say that the firm is not involved in the big-ticket deals, but its

flexibility has proved lucrative in recent years as bigger deals have dropped away and the mid market has taken up the slack.

Leading the private-equity practice at the firm are partners Xavier Jaspas, Guillaume Kuperfils and Laurent Borey. Clients were particularly taken with Borey: "Laurent is very dedicated to the client and something that is particular to him is that he tried to cover many aspects, but he always makes sure that there is no gap between his field and other fields," says one client. "Sometimes it's too much and we have to tell him that it's been covered!"

Both Jaspas and Borey were called in alongside Erwan Heurtel to act for Geoxia and LBO France in both the financial restructuring and an investment by LBO France into the company. Heurtel also acted for Tetra Sepchat in the structuring of a new LBO.

Kuperfils was involved as the firm acted for Gras Savoye on its €500 million acquisition by a French Holding company jointly held by private-equity house Astorg, the Willis Group and the founding families. The deal was the largest LBO in France in 2009.

On the public side the firm advised the Mérieux Alliance on the €740 million sale of its French subsidiary ShanH to Sanofi Pasteur. The deal included an Indian law element as ShanH owns the majority stake in Indian vaccine company Shantha Biotechnics.

### **SJ Berwin**

Alongside Mayer Brown, SJ Berwin are seen as one of the market leaders in mid-market private equity work. "SJ, they are very active on the mid-market side," says one peer.

Although in the UK the firm is known primarily for its fund formation work, in France the team has carved out a reputation on the transactional side. "They hired a team who deal more in transactional work, they are one of the key players in this market now," says one rival.

#### **Leading lawyers**

Maxence Bloch

### **Weil Gotshal & Manges**

In the corporate field in Paris, Weil Gotshal & Manges is seen by the market to be focusing a lot more on the private-equity side. "Weil are very much dedicated to private equity" says one peer.

The US firm has made great strides since merging with local firms Serra Leavy & Cazals in 2003 and is seen to have carved out a niche on the private side of the corporate market.

Named partner in the previous firm Claude Serra is recognised as a key figure in Weil Gotshal's corporate department.

The firm underlined its position in the market last year by completing deals worth a combined \$11.7 billion in the French market.

#### Leading lawyers

David Aknin

### Willkie Farr & Gallagher

Although seen less on the public side of M&A, in private equity Willkie Farr & Gallagher is still seen as a force in the Paris market. "Willkie is still very active in terms of private equity," says on peer.

In October 2009 the firm advised Sanofi-aventis in a €370 million acquisition of Oenobiol.

Another highlight saw the team advised Montefiore Investment on an acquisition of a 40% stake in Sofibo, a furniture distributor.

### Other ranked firms

**Davis Polk & Wardwell's** M&A team in Paris is led by Christophe Perchet and it was he who led the firm's team as they took a role advising Areva on its €4 billion sale of Areva T&D to Schneider Electric.

Areva also called in Perchet to act on a sale of a 2.6% stake in Societe d'Enrichissement du Tricastin to two Japanese companies: the Kansai Electric Power and the Sorjitz Corporation; and a 2.5% stake to Korea Hydro and Nuclear power.

Another substantial deal saw the firm advise PartnerRe's acquisition of Swiss reinsurer Paris Re. The deal valued at approximately €2 billion won the 2009 *International Financial Law Review European M&A Deal of the Year* award.

In April 2010 the firm advised Qatar's sovereign investment fund Qatari Diar on a acquisition of a 5% trading block in Veolia entertainment.

One of the biggest deals worked on by the **De Pardieu Brocas Maffei** team last year saw the firm advise TF1 on the sale of a 9.9% equity interest in Canal+ to Vivendi for €750 million. The team also advised Cooperl Arc Atlantique, a French agricultural cooperative over the €250 million acquisition of Brocéliande.

In private equity, partner Jean François Pourdieu led a team advising Axa Private Equity on a €55 million investment in Cegos. The team also advised NI Partners on its acquisition along with 3i of a majority stake in the Vedici group.

**Allen & Overy's** main M&A development in 2010 was the hire from Clifford Chance of partner Marcus Billam and his team of five associates. Billam will no doubt enhance the status of the team in Paris and he contributed

straight from the off by advising Compagne La Lucette on its merger with Icade after the takeover by the same company.

Another key figure at the firm is Nicolas Bichot who was called on last year by Generalli to set up an insurance joint venture company with La Banque Postale.

Other key mandates included acting for UCB on the disposal of non-core activities to various buyers and advising Oranjewoud on the acquisition of Antea.

**August & Debouzy's** biggest deal, which rolled on from early 2009, was the acquisition by Dassault of the Alcatel-Lucent interest in Thales. The firm advised Dassault on the €2 billion deal which reached close in May 2010.

Another substantial deal on which the firm had a role was Schneider Electric Industries €4 billion acquisition of Areva T&D. The team acted for the buyer.

In the automotive sector a team led by Valéry Denoix de Saint Marc acted for HTP and the FMEA (*Fonds de Modernisation des Equipementiers Automobiles*) in their acquisition of the Michel Thierry Group for €84 million.

Finally the team acted for the SGD group as it was acquired from Oaktree Capital Management for €140 million. The deal also involved a financial restructuring.

The M&A department at **Ayache Salamala** is led by Bernard Ayache and Olivier Tordjman. The firm had a good run on straight acquisitions last year including Tordjman's advise to Malakoff Médéric on its acquisition of LVL Medical and Financière XVI's acquisition of CAPA. Lead partner David Ayache advised Cerec on its acquisition of Antonius Vessel Heads.

In the healthcare sector **Baker & McKenzie** was kept busy advising Ramsay Health Care on the acquisition of a 57% interest in hospital operator Groupe Proclif.

One of the firm's largest deals saw them advise Geofinancière over the sale of the Geoservice Group to Schlumberger for €1.07 billion.

One of the firm's big strengths is its wide global spread of offices and this gives it a strong cross border capability. An example deal, originating in the Paris office saw the team advising Aircelle over the set up of a joint venture with Air France in the UAE.

One of **CMS Bureau Francis Lefebvre's** major deals last year showcased the firm's cross border abilities and the integration of its network. The deal saw the firm advising Accors on the sale and lease back of 5 hotels across four countries.

In a similar deal, relating to real estate, the team also acted for Mercialis on its acquisition of 50% stake in a company which owns a shopping centre in Strasbourg.

In a sign of the times, with companies reigning in their activities, the firm also advised L'Oreal on the disposal of its manufacturing facility in Fareva.

In the merger space the team acted for De Dietrich Remeha over its merger with Baxi with the deal involving a share exchange and the investment of new equity.

**Debevoise & Plimpton's** reputation is growing in Paris and the team was involved in some of the last year's major transactions. In one the team advised Schlumberger on aspects of its €1.07 billion acquisition of Geoservices in March 2010. The team also acted on the €5.8 billion acquisition by General Electric of Vivendi's stake in NBC Universal.

In the airline sector the firm advised Regional a subsidiary of one of the firms major clients Air France in the acquisition of a 40% stake in Airlinar.

One of **Franklin's** highlights last year came in the private equity sphere where it advised Tyco Electronics on a €100 million purchase of touch screen technology company Sensitive Object. That deal was led by Mark Richardson who co-heads the practice with Alexandre Marque, who last year advised the ISS Group, an outsourcing group on its sale of non-core assets of its business.

The new **Hogan Lovells** team has not changed dramatically from its previous forms, although in November 2009 partner Arnaud Latscha left Lovells reducing slightly its capacity. One of the former Lovell's team's biggest deals last year saw it advising Astorg partners over the sale of Geoservices to Schlumberger for a total of €803 million. The team also acted for Willis on a €500 million LBO of Gras Savoye & Cie.

Hogan & Hartson, as it was, had two M&A partners in France led by Isabelle MacElhone. Last year MacElhone acted for Temenos over an agreement to acquire the Viveo Group for €81 million. She also advised Grandvision on its acquisition of Cézard Participation and Animation.

**Paul Hastings Janofsky & Walker** were last year called in to advise the French sovereign wealth fund the Fonds Stratégique d'Investissement over its acquisition of a minority stake in Avanquest Software. The deal drew on the firm's capital markets knowledge as well involving both a capital increase and a convertible bond issue. In a related sector the team also advised social networking company Viadeo in the acquisition of Canadian company Unyk.

Leading on both deals and one of the firm's key figures is Erwan Barre, he also had a hand in the advise given to Crescendo Industries over the sale of Amesys for €105 million.

A major client of **Proskauer Rose** in the M&A field is Microsoft who last year man-

dated the firm to advise on the €375 million acquisition of Razorfish an interactive advertising agency. Leading the deal was Guillaume Kellner who also advised computer services group Bull on the acquisition of Amesys for €105 million.

The firm continued its expansion in 2010 with the hire of former SJ Berwin counsel Caroline Chabrierie.

Shearman & Sterling's focus in the French market is more in the capital markets sphere but the firm still maintains a notable M&A presence. An example of this came last year with the advise to Société Générale on its joint venture with Crédit Agricole to create the Amundi Group. Another deal of note was the firm's work for Dassault Systèmes on its agreement to acquire certain sales and support operations of IBM. The substantial deal was valued at \$600 million.

One of the Skadden Arps Slate Meagher & Flom team's higher profile deals last year saw them advise private equity investor TC Wolff on its acquisition of a minority stake in Formula One team Williams. The Paris office's founding member is Christopher Baker who is dual qualified in both the US and France. Last year he acted on one of the firm's most substantial deals, advising JSC Mangistaumunaigaz and holding company Central Asia Petroleum Limited on the sale of a 58% stake in their downstream oil assets to KazMunaiGas for \$1.2 billion.

Another deal of note was the firm's work for Air France-KLM in a joint venture agreement with Delta Air Lines to share revenues and costs on trans-Atlantic flights.

White & Case focuses slightly more on private equity as opposed to public M&A in France, however the firm still boasts a number of notable mandates including advising Syngenta on its acquisition of Monsanto's hybrid sunflower seed business for \$160 million. Another deal saw the team acting for CNP Assurance in the €117 million sale of two Portuguese subsidiaries to Rentipar Seguros.

In the joint venture area a team led by Franck Peter acted for CDC on a €150 million joint venture with Vinci Immobilier on the acquisition of Cité du Cinéma.

The firm has a reputation for its work in central and eastern Europe (CEE) and this was demonstrated as it acted for Nycomed on the acquisition of a portfolio from Sanofi-Aventis and Zentiva including 20 branded products in the region.

## Project finance

### Recommended firms

#### Tier 1

Allen & Overy  
Clifford Chance  
Gide Loyrette Nouel  
Linklaters

#### Tier 2

Freshfields Bruckhaus Deringer  
White & Case

#### Tier 3

Ashurst  
De Pardieu Brocas Maffei  
Hogan Lovells

#### Tier 4

Herbert Smith  
JeantetAssociés  
Norton Rose  
Simmons & Simmons

#### Tier 5

Baker & McKenzie  
Cleary Gottlieb Steen & Hamilton  
Orrick Rambaud Martel  
Willkie Farr & Gallagher

All the talk among project finance lawyers in France at the moment is about Africa. "Africa's booming we're seeing work all over, it's strange I have never seen this before," says one partner, and another agrees: "There's a lot of new deals coming out of Africa. In north Africa there are some big money projects being proposed."

French lawyers are well placed to benefit from this new frontier. As well as the obvious historical links; the benefit of a shared language and the presence of French legal structures in the legislature of many African states means that French practitioners are in pole position to take on this work.

Much of the work is coming in the form of infrastructure and power. "In sub-Saharan, its forms of energy, there's a lot of power and a lot of industrial work," says one partner. Given the relatively thin spread of infrastructure across much of the continent this is likely to be a lucrative seam of work for many years to come.

There's also plenty of energy projects in the French domestic market. Like most of Europe, the French appetite for renewables continues to grow. "Up till last year it was mainly wind and this year solar energy is really booming," says one projects lawyer.

Alongside the current penchant for green-power, the sector has also benefited from the fall away of investment in other areas. Energy is seen as a safe and reliable source of

income as one lawyer explains: "The project finance has born out better than other areas because people always need power."

## Allen & Overy

Allen & Overy's French project finance team is gaining traction in the market. The firm has always been a high flyer in the UK in this area and now it's standing in the French market is growing thanks to a vibrant African practice. "Tim Scales we see on a lot of international deals," says a peer. "There's also Rod Cork who does general practice."

Last year Cork advised the Overseas Private Investment Company (OPIC) on a \$146 million loan to ContourGlobal Togo for the finance of Phase 1 of a power generating facility in Lome. The deal was a significant value for the region and saw the team work with its New York office.

Another key partner at the firm, particularly on African projects, is Tim Scales. Last year both he and Adrian Mellor advised Areva on the financing of desalination plant and uranium mine in Namibia. Scales was also called up on to assist the IFC, the European Investment Bank (EIB) and the Ethiopian Development Bank in the \$840 million financing of the Derba Midroc cement plant. Other highlights included power plant financing work in Ghana, Kenya and Morocco.

Both Scales and Christine Poyer-Rufenacht advised AES-Sonel on the financing of two power plants in Cameroon, one 216MW and one 85MW, the first two IPPs (independent power projects) done in Cameroon.

The European presence is also strong and indeed one of the firm biggest deals last year saw Christine Poyer-Rufenacht advise the banks, including the EIB, Dexia and Rabobank as the mandated lead arrangers on the financing for the 165MW Bligh Bank offshore wind farm near Zeebrugge. The deal included a €483 million, 15-year non-recourse facility and a €63 million non-recourse mezzanine facility.

In the domestic PPP area both Noël Chahid-Nourai and Rod Cork advised Voies Navigables de France (VNF) on the Canal Seine-Nord PPP for the modernising of the French canal network. Both partners were again involved as the firm advised the institutional lenders of the CDC/Fonds D'épargne high-speed rail concessions on the Bretagne to Pays de la Loire route.

### Leading lawyers

Rod Cork  
Tim Scales

## Clifford Chance

The market was in agreement that Clifford Chance remains a strong player on both the international and domestic markets. "Clifford Chance is still very active, they have been active in PPPs in France and in projects outside of France, they have got a good oil and gas practice," says one peer and another agrees. "I would say clearly one of the leaders on the market is Clifford Chance."

Partners Daniel Zerbib and David Pr at were both kept busy last year with the French railway concessions. As well as advising Eiffage on the €7 billion rail concession project for the route between Tours and Bordeaux, the team also advised the lenders to the same company on Eiffage's bid for the Connerr  and Rennes high speed rail link PPP, a deal valued at approximately €3.5 billion.

The firm also had activity in the busy African market. The team are advising the lenders to the Eiffage project company in Senegal for the €260 million financing of a motorway concession. Another highlight saw the team advise Attijariwafa Bank, Banque Centrale Populaire and the IFC on the financing for the extension of the port of Tangiers in Morocco. The team has also advised over the financing for infrastructure projects in Guinea, Botswana and Cameroon.

The team again displayed its cross border capabilities advising export credit agency Sace and a consortium of banks over the \$1.7 billion financing for the construction of two steel plants in Turkey.

Another significant Turkish project saw a team led by Nicholas Wong advise a consortium of Turkish banks as the lead arrangers on the \$1.2 billion financing of the Boyabat hydroelectric power plant. With a capacity of 513MW the project will be the largest project of its type in Turkey.

On the domestic energy front, Mustapha Mourahib led the team advising the European Investment Bank over the €1.3 billion financing of EDF's solar and wind projects in France and Italy.

### Leading lawyers

Anthony Giustini  
Nikolai Eatwell

## Freshfields Bruckhaus Deringer

Freshfields Bruckhaus Deringer suffered a big blow in May 2010 when a key part of its Paris based project finance team, including Amir Jahanguiri and Thierry Laloum left to join Willkie Farr & Gallagher. With no replacements yet appointed, the market will wait to see how and if the practice will cope with the departures.

Most of the firm's work consists of acting for the sponsors; one such project saw the firm advise to the Syn rail consortium over the €1 billion financing for the GSM rail project. Another substantial project in the rail sector saw the firm acting for the Vinci-led consortium, the sponsors of the Paris CDG Express rail link, which connects Charles-de-Gaulle airport and Paris Garde de l'Est.

Another highlight saw the team acting for the winning consortium on a project for the design construction and financing of the new police headquarters in Sathonay. The deal valued at €156 million was one of the largest of its type to reach financial close in France.

## Gide Loyrette Nouel

Like the other leading firms in the market Gide Loyrette Nouel's project finance work last year was split between French domestic rail work and energy and infrastructure financings in Africa.

In the latter market last year the team advised ContourGlobal as the sponsor of a \$175 million power plant project in Lom , Togo. Bruno Cazalet led the firm's team on the deal, which closed in May 2009.

In the French domestic market the team took a role on the Bretagen to Pays de la Loire high-speed rail link, advising the bidding consortium Vinci on the \$3 billion PPP contract.

Also in the rail sector, although further afield in Saudi Arabia, a Paris team led by John Crothers worked closely with the team's Riyadh office over Alstom and SNCF's bid for a new high-speed rail link. The deal, which is valued at over \$7 billion, is the first of its kind in the country.

Another notable international deal saw Fran ois Krotoff lead a team advising GDF Suez over the regulatory and financing aspects of the Nord Steam project. The firm's client is looking at taking a 9% participating interest in Nord Stream with the purpose of constructing a gas pipeline from Russia to Germany across the Baltic Sea.

The market recognises the firm's strength in domestic work, particularly in PPPs: "Gide has been very active in the French PPP market," says one rival.

Last year Thomas Courtel and Christine Van Gallebaert were kept busy with notable projects. In the first, the team advised Eiffage as the sponsor for a PPP tender for a new headquarters for the French Ministry of Defense in Balard. In January 2010 the partners advised a consortium including DV Construction and Exprimm and investment fund FIDEPPP over the €200 million financing for a PPP contract to construct 63 road maintenance centres across the country.

### Leading lawyers

Thomas Courtel  
Emmanuel Fontaine

## Linklaters

The Linklaters team in France is most active on the lenders side which is linked to its strong banking and capital markets practice.

The market perceives that the firm has a strength on domestic work, particularly on PPPs. "I think it is very active in the project finance sector but they are only advising lenders, they are mostly advising on the French PPPs," says one peer.

This reputation was backed up last year as the team advised the senior lenders including the European Investment Bank (EIB) over the €1.1 billion financing of the CDG Express, the link between Paris's main international airport and Gare de l'Est. Another notable rail project saw Bertrand Andriani lead a team advising the lenders on the bid for the high-speed rail link between Bretagne and Pays de la Loire.

The team also involved themselves on France's toll road concessions, advising a consortium on the bidding for the A63 motorway.

In the vibrant renewable energy area the firm advised the banks including the EIB again on the €1.3 billion financing of photovoltaic projects with a capacity of 315MW in France and Italy.

### Leading lawyers

Bertrand Andriani  
Paul Ligni eres

## White & Case

Leading the project finance team at White & Case are Paule Biensan and Jacques Bouillon. "Very good I would use them again the team, is very efficient with their time, they work around the clock," says one client. "We work in very tricky emerging markets, in Africa and they're very strong there."

Paule Biensan was also singled out for praise: "Wonderful she's just great, she's very business orientated," says one.

One deal which stands out for its complexity was the team's advise to Soci t  Nationale Industrielle et Mini re (SNIM) of Mauritania over a \$710 million financing for the expansion of the Gueb II mine in Mauritania and the related construction of a carrier port. The multi-sourced financing for the project included Islamic finance, export credit agencies and development institutions.

French high-speed rail projects are the big news in the domestic market in France so it is unsurprising that White & Case had a role on one leg of the project. The team advised the lenders to the project company for the con-

struction of the high-speed link between Tours and Bordeaux which is valued at €8 billion.

The firm has a strong reputation for its presence in central and eastern Europe and last year Victoria Westcott demonstrated this with her work on two Motorway projects in the region. The firm advised a bid consortium including Bouygues, Colas, and Mota-Engil over its bids for the D1 and R1 motorways in Slovakia.

#### Leading lawyers

Paule Biensan

#### Other ranked firms

One of De Pardieu Brocas Maffei's biggest mandates last year saw them advise the European Investment Bank on the €400 million financing for the La Réunion Tram-Train PPP (public-private partnership). In the thriving energy sector the team advised on two notable photovoltaic projects. In the first Jean-Renaud Cazali led a team advising The Casino Group as sponsors for the financing of two new plants. On a separate project the team acted for Société Générale on the €50 million financing for two power stations developed by EDF in Manosque and Sainte Tulle.

Jeantet's deal list last year reflects the growing importance of Africa to French firms. Jean-François Adelle acted for Africa Research over the financing for a gas turbine facility in the Ivory Coast. Thierry Lauriol was also busy in the country and advised the sponsor in the BOT (build operate transfer) financing for a power plant project. The firm took on a similar project in Senegal acting for an international bank as provider of a liquidity facility for a power plant.

Orrick Rambaud Martel increased its capacity in September 2009 with the hire of partner Diane de Mouÿ from Clifford Chance. Among the firm's stand out transactions last year was its work on three notable French PPPs. In the first Jérôme Pentecoste advised the University Diderot in Paris over a partnership contract for the construction of new premises at a cost of €110 million. In addition a team led by Yves Lepage acted for Axa as one of the main sponsors in a €1.6 billion PPP for the financing of the tram train project on Réunion island. Finally the team advised a number of banks including Natixis and the Crédit Agricole Group over the financing for the construction of 63 road maintenance centres valued at €180 million.

A final highlight saw a team led by Louis de Longeaux acting for a group of international banks over the €500 million financing provided to Maurel & Prom for the re-development of its oil fields.

Willkie Farr & Gallagher is a surprise new entry to the rankings this year after the firm hired a team of lawyers from Freshfields Bruckhaus Deringer. One of the key figures making the move was Amir Jahanguiri who is a well respected figure among clients: "Amir is very good in negotiations with the banks, he knows quite well the advisors of the banks and he has a strong team to word the agreements."

The market will be waiting to see how the team fares at Willkie, who did not have a project finance presence in Paris before the new team's arrival. "We're very curious about their move because Willkie has no project finance practice at all, it surprised everyone in the French market," says one project finance lawyer. There was optimism though that the individual strength of the partners would be enough to get a foothold in the market. "At Willkie it's the same, it's the same work and the same team," points out one client.

## Restructuring and insolvency

### Recommended firms

#### Tier 1

Gide Loyrette Nouel  
SCP Santoni & Associés  
Weil Gotshal & Manges

#### Tier 2

Bremont & Associés  
De Pardieu Brocas Maffei  
Linklaters  
Willkie Farr & Gallagher

#### Tier 3

Bernard Lagarde  
Clifford Chance  
JeantetAssociés  
Poulain & Associés  
Sonier & Associés  
Veil Jourde

#### Tier 4

Dewey & LeBoeuf  
Freshfields Bruckhaus Deringer  
Fried Frank Harris Shriver & Jacobson  
Proskauer Rose  
Saigne & Associés  
White & Case

#### Tier 5

Fauvet La Giraudière & Associés  
Latham & Watkins  
Paul Hastings Janofsky & Walker  
Salans  
Vatier & Associés

As has been the case all over for the last few years the levels of activity and interest in French restructuring and insolvency remains high. "The market has been quite busy, the

type of work we have seen has become more and more complicated," says one lawyer. "It's been a fantastic year in France in terms of exceptional proceedings."

One trend that is starting to creep into the market is secondary restructuring, deals coming back to the table as circumstances change. "Secondary restructuring, we do see elements of that," says one restructuring partner. "Certain companies do come back into the market, often a company goes into insolvency then the deals need to be changed again."

The length of the downturn and the threat of a double dip is likely to cause much more work of this nature. "A lot of them [companies] have been restructured in 2009, so you wonder, if the crisis is staying, whether those targets will be able to meet their revised business plans." The main problem as always is finding new investment as one partner highlights: "I saw companies who thought they found a investor, who then defaulted, then they found other investors and they defaulted."

On the insolvency side there still exists concern about the French bankruptcy law, especially from the point of view of large corporates and banks. "The banks are trying to build a new type of documentation, they want things better organised and more secured," says one lawyer, "They are afraid of the French bankruptcy rules." The concern is that the law is not favourable from the creditors viewpoint. "The main aim of the French bankruptcy law is to save the employment and save the company, creditors are not treated as well," says one practitioner.

What this has done however is to encourage negotiation. "The French regulations changed in 2006 and the Chapter 11 (*sauvegarde* - safeguard) and pre-bankruptcy procedure became more frequent," explains one partner. "With the pre-bankruptcy procedure you see a lot of situations where the time you spend in court is just a formality at the end of negotiations with investors, creditors etc and they just wait for the judge for approval, it moved from a litigation practice to a transactional practice."

This has been reflected in the legal market where firms have had a lot of mandates related to *sauvegarde* actions. "In general since 2009 we have seen more people looking at *sauvegarde* proceedings because they remain more in control of the company," explains one partner.

### Gide Loyrette Nouel

The firm has been kept busy in the last years advising a variety of SPVs and bondholders in various *sauvegarde* (safeguard) proceedings.

One of the leading figures in Gide's restructuring and insolvency team is Olivier Puech and last year he led the team advising the Orco Property Group on *sauvegarde* proceedings relating to debts of €800 million including €500 million of bondholders debt.

Puech was again involved alongside Gilles Saint Marc and Arnaud de Pesquidoux advising Eurotitrisation and the management company of the Windemere XII securitisation fund on *sauvegarde* proceedings initiated by the debtor. A similar deal saw the firm advise Natixis and Société Générale over the *sauvegarde* proceedings of an SPV of Financière Hélios.

The team also had a role on proceedings relating to the Lehman Brothers bankruptcy advising the French subsidiary of the bank over the approval of a conciliation proceeding following difficulties following the bankruptcy proceedings. The deal involved negotiations with creditors and ended in a successful passing of the agreement allowing the business to be sold on.

Gide also assisted SCP Leclerc et Masselon as the judicial liquidator to Smoby in a transaction relating to investor responsibility. An initial *sauvegarde* proceeding was converted into receivership proceedings after an Investor MGA failed to provide the capital injection it promised. Under the new plan the Smoby Groups assets were sold in a transfer plan.

#### Leading lawyers

Olivier Puech

### SCP Santoni et Associés

SCP Santoni et Associates has an exclusive relationship with Allen & Overy which has allowed the magic-circle firm to gain a foothold in this area of the Paris market. "Santoni has a good reputation and he has a good relationship with Allen & Overy," says one peer of the practice.

The relationship has proved to be advantageous for both firms and it has provided Santoni with a steady stream of referral work. However this is not to say that the firm is wholly reliant on its magic circle ally. "He gets a lot of work from them," says one rival. "But overall I think it's a greater benefit to A&O; Santoni has a great reputation."

#### Leading lawyers

Marc Santoni

### Weil Gotshal & Manges

Weil Gotshal & Manges strengths in the Paris market are seen by competitors to be in two

key areas: private equity and restructuring and insolvency.

The team is led by Philippe Druon and clients agreed that the current ranking was correct. "Weil is clearly number one," says one and another agrees: "Gide and Weil; it's a no-brainer."

#### Leading lawyers

Philippe Druon

### De Pardieu Brocas Maffei

"The experience is very good, it's a small firm, they don't have the resources of a big international firm but they are very good. In the legal market they are involved in most of the high level cases in France and they have a lot of experience in the French legal market they are really efficient," says one client of De Pardieu Brocas Maffei.

Although clearly focused on French domestic matters, clients were impressed by the firm's knowledge. "They clearly have a very good understanding of the legal framework in this type of engagement, its extremely important to know what you can do its more than just what the law says you need to know what you can do."

Jacques Henrot was also singled out: "He's really well connected he's been involved in the market for decades, he's also extremely good at understanding the clients needs and not just being a pure lawyer, he really does understand the case."

One of the largest deals worked on by the De Pardieu team last year saw the team advise Thomson/Technicolor on its restructuring including a *sauvegarde* (safeguard) proceeding. Philippe Dubois, Jacques Henrot and Matthieu Barthélemy all advised on the deal that was approved in February 2010.

The team also found themselves on the other side of the table advising the bondholders steering committee, consisting of Oaktree, Nooday and Pioneer, in a challenge to the opening of *sauvegarde* proceedings for the Belvedere group which would require the rescheduling of €375 million worth of debt.

The team also had a role on the *sauvegarde* proceedings of Heart of Defense and its Luxembourg holding company. The team advised the "A" bondholders of a securitisation senior tranche.

#### Leading lawyers

Jacques Henrot

### Linklaters

A clear highlight of the firm's work last year was their advice to Groupe Legris Industries a shareholder in the Keyria Group over the lat-

ter's insolvency. The deal was the largest French insolvency in 2009 and required the team to work on a number of solutions including *sauvegarde* (safeguard) conciliation and liquidation proceedings. The Linklaters team was led by restructuring partner Aymar de Mauléon de Bruyères and corporate lawyer Pierre Tourres.

Another highlight saw the team advise PricewaterhouseCoopers as the administrator and thus indirect major shareholder of Dame Luxembourg and Heart of La Defense in the safeguard proceedings of the two entities. The deal was the first time joint *sauvegarde* proceedings concerning a securitisation had been opened for both a French and a Luxembourg company. Both de Mauléon de Bruyères and fellow partner Cécile Dupoux were involved on the deal

Two other highlights included the firm's work on the restructuring of the Archos Group, consisting of a second conciliation proceeding after the initial one in 2008, and its role on the insolvency of Quelle-La Source. In the latter deal a team led by Dupoux advised 3 Suisses on the acquisition of assets in the insolvent company.

#### Leading lawyers

Cécile Dupoux

### Willkie Farr & Gallagher

Willkie Farr & Gallagher's strength in the Paris market is more on the debt restructuring side and on LBO work. "Willkie have a good team, they have been involved in some deals. They have got experience in LBO restructuring," says a peer.

One of the reasons for the team's prominence is partner Maurice Lantourne. "Since Lantourne joined Willkie they are quite active in the market," says one rival.

#### Leading lawyers

Maurice Lantourne

### Other ranked firms

Leading the restructuring team at **Jeanetet** is Didier Malka and one of the key deals he undertook last year was the restructuring of the Groupe Michel Thierry. The team also advised the banks in a number of restructurings for the likes of the Mecaplast Group and Groupe AFE.

One of the largest restructurings in France last year was that of Coeur Défense and **Freshfields Bruckhaus Deringer** acted or one of the key shareholders in the CMBS restructuring. In addition the team also acted for the bank steering committee and the senior creditors in the restructuring of Technicolor. This

deal proved to be noteworthy for a number of reasons. As well as being the first restructuring in Europe to feature credit default swaps as a central feature, the deal was also the first of Isda's (International Swaps and Derivatives Association) 'small bang' market auction's.

As one of the country's restructuring and insolvency boutiques **Poulain & Associes** is a skilled operator in this area of law, and although peers did not see the firm on quite the same level as the likes of Bremond or Santoni, it is still a notable operator.

Last year the firm's lead partner Jean-Paul Poulain advised yacht company Rodriguez Group in *sauvegarde* (safeguard) proceedings including the restructuring of agreements with shipyards and negotiation with the banks over a €54 million write off and the conversion of €64 million of claims into convertible bonds.

**White & Case's** six partner restructuring and insolvency team advised Maxingvest last year on the bankruptcy and liquidation of Serpie SAS of which Maxingvest is a shareholder.

A key figure in the **Paul Hastings Janofsky & Walker** restructuring and insolvency team is Sandra Esquiva-Hesse who last year advised Huit Diffusion over its temporary administration, insolvency proceeding and judicial purchase. She also acted for General Motors Strasbourg on its restructuring.

King Street also called in the firm to advise on the *sauvegarde* (safeguard) proceedings of Thomson. In the automotive sector the team acted for Acument Global Technologies over its recent reorganisation and the sale of its French facilities to Lisi Automotive and Agrati France.