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An overview of Swedish financial markets

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Stockholm: a Baltic financial centre

The financial sector is one of the most important growth areas of the Swedish economy. It employs approximately 100,000 people, has high productivity and great innovative power, and represents about 4% of Sweden's GNP. Internationally, Sweden is at the forefront of the development of financial products and services, as well as new technology.

Stockholm, the capital of Sweden, aspires to be a leading financial centre in the Baltic region and northern Europe, and is the domicile for the area's largest stock exchange. Four of the six leading banks in Nordic countries have their head offices in Stockholm.

The foreign presence in Swedish financial markets is obvious. A majority of the foreign companies that operate financing or securities businesses in Nordic countries and the Baltic region have placed their regional head offices in Stockholm. Also, foreign operators and investors have a considerable share in the trade on the Swedish securities market.

Supervisory and regulatory authority

Companies that operate a business in the financial sector are authorised and supervised by *Finansinspektionen*. At present (June, 2010), *Finansinspektionen* supervises approximately 3,900 entities incorporated in Sweden and 600 foreign financial institutions with an operation in Sweden: banks and other credit institutions; securities companies, securities exchanges and clearing houses; fund management companies; and insurance companies and insurance brokers. *Finansinspektionen* is also responsible for monitoring the financial markets. For instance, it monitors the disclosure of information from the 300 companies

publicly traded on a stock exchange or a marketplace in Sweden.

Self-regulation in the securities market

A tradition of self-regulation characterises the Swedish securities market. As regards stock market practice, corporate governance and financial reporting, important principles are set out by self-regulation, not by law.

The Association for Generally Accepted Principles in the Securities Market is a private organization financed by its members. The members are the stock exchanges, the Stockholm Chamber of Commerce and other industrial and commercial associations. The Association has an important role in the norm-setting in the market. The Association works through a secretariat and four separate self-regulation committees. The committees of the Association issues recommendations concerning trading practice, corporate governance and financial reporting. At the request of parties concerned or their advisers, statements may be obtained on specific issues within these fields.

Legal framework

The most central rules for institutions acting on the Swedish capital markets are defined by the Act on banking and financing activities (*Lag 2004:297*), and the Act on capital adequacy and large exposures (*Lag 2006:1371*). These acts set forth a framework for the organization of a financing business, reporting duties and rules for monitoring and intervention.

The corresponding regulations applicable to the securities markets are the Financial Markets Act (*Lag 2007:528*), and the Financial Trading Act (*Lag 1991:980*). In addition to these acts, reporting duties, insider rules, takeover rules and money-laundering regulations are found in separate acts.

Mandatory licence

Generally speaking, any company planning to offer services on the Swedish capital or securi-

ties markets, must file an application with *Finansinspektionen* for a license. The same applies when an institution holding a license wants to change the direction of its business. The change may be due to product development, restructuring or a change in nature of the business. An application must set forth a description of the company's organizational structure, information concerning ownership, management, a budget and an account of control routines and security measures.

Disclosure of share sales and purchases

Based on the EU Transparency Directive, Swedish regulation states that the sale and purchase of shares exceeding 5% of the share capital or votes in a company listed in Sweden must be reported to the company itself and to *Finansinspektionen* no later than the day after the transaction.

Foreign subjects

In general, Swedish capital and securities markets regulation applies equally to Swedish and foreign subjects. For instance, reporting duties, takeover rules and requirements to draw up a prospectus in cases of public offerings, apply equally to Swedish and foreign investors.

However, Sweden acknowledges certain licenses to operate a financing or securities business granted by regulatory bodies in other EU countries. In such cases, a business may be commenced in Sweden after notification to *Finansinspektionen*, and the formal licensing procedure does not apply.

Capital markets

Recommended firms

Tier 1

Gernandt & Danielsson
Mannheimer Swartling
Vinge

Tier 2

White & Case

Tier 3

Cederquist
Hammarstiöld & Co
Linklaters
Roschier

Tier 4

Baker & McKenzie
Delphi
Hannes Snellman
Lindahl
Setterwalls
Wistrand

The Swedish government forecasts that the country's GDP will increase by 3.3% this year, up from its current 2.5% figure. But despite the rise Sweden is still experiencing many of the same problems as neighbouring jurisdictions. Over a year after the fall of Lehman Brothers, the problems caused by the financial crisis have left the Swedish markets fairly quiet. "The global crisis hit us, work has picked up but is still relatively slow," says one partner.

Despite seeing a decline in the volume of transactions, capital market lawyers have been occupying their time with a number of rights issues that have come into the market over the last year. "The last 12 months has been slow, there has been a decline in the amount of work we have seen. Rights issues have been constant; work has been generated on the capital markets side in this form," says a partner.

The IPO market has also been fairly quiet, though the stock market is showing signs of recovery. "The stock market is showing good signs, and the IPO market has just about recovered, but we are not seeing many new transactions in the pipeline," says one partner.

On the debt capital markets side, firms have seen a slowdown in the number of bonds being issued over the last 12 months. "There are a few floating around, but I would not say there has been an increase in the number of new issues that we are seeing in this market," says one partner.

The transportation automotive and banking sectors have been active in providing firms with work. "We see these sectors providing us with the most amount of work over the last 12 months," says one partner.

Firms are experiencing more clients requesting caps on deals and asking for further discounts. "We have not lowered our prices, but we find clients demanding more of a discount than in previous years," says one partner.

The general feeling amongst many capital markets lawyers is that late 2010 will provide a stronger economy for IPOs to take place in, hopefully leading to a pipeline of new deals.

Gernandt & Danielsson

"They are one of our preferred firms to work with in capital markets deals," says one client. Observers note that the firm's strengths lie in the capital markets practice. "They have great continuity of coverage, they are a small firm but I think this works in their favour," says one client.

Commentators praise the firm for the strength of its individuals. "It is easy to plug and play with them," says one client. Another adds: "They give great senior attention, they are very good. We have also dealt with the junior partners; they provide high quality work, they make themselves accessible to clients and are a valuable source of knowledge."

A rival partner adds: "The firm is a small operation, there are bigger firms in the Swedish markets, but their strengths lie in the capital markets fields."

Dick Lundqvist is a name that many lawyers mention: "He is their star player, he is an expert in this field." Another peer adds: "Dick Lundqvist is excellent, a lot of capital markets lawyers could learn a great deal from him."

The team at Gernandt & Danielsson this year advised Swedbank in connection with its SKr15 billion (€1.6 billion) capital increase through a rights issue of ordinary shares wholly-underwritten by existing shareholders, Bank Of America Merrill Lynch and Credit Suisse, among others.

Fredrik Palm advised the underwriters and joint bookrunners Carnegie Investment Bank and Jefferies International in connection with the SKr300 million (€316 million) capital increase in Swedish pharmaceutical company Medivir through a rights issue.

Lundqvist also advised Providence Education International in connection with a public cash offer to all shareholders in AcadeMedia.

Mats Hugoson conducted the independent legal due diligence review in connection with Corem Property Group AB's new issue of shares and change of listing from NGM to Nasdaq OMX Stockholm.

Leading lawyers

Dick Lundqvist

Mannheimer Swartling

The start of 2010 saw the firm appoint Åsa Hansdotter to partner, while Sven Unger moved to a senior counsel position.

Standing as one of the largest firms in Sweden, Mannheimer Swartling is one of the best known practices in the market for its capital markets work, and has a strong reputation amongst its peers. "They are a brilliant outfit, they are one of the largest in size and they always have a strong pipeline of deals," says one peer.

The firm had a busy year and commentators note its skills. "The firm are very good, they are our biggest rivals, they are a strong force," says a peer.

Clients note that the firm's strength is the quality of its lawyers. "The firm are similar to Vinge; they are a big enterprise but we sometimes end up dealing with junior people, but they have high standard are well-trained," says one client. Another client adds: "Anders Lindblad is a great lawyer, he is hardworking, intelligent and very knowledgeable," says a peer.

The firm advised ScandBook Holding and Accent Equity Partners on one of the few new listings to have been successfully placed on Nasdaq Stockholm and Nasdaq First North during 2009 and 2010.

Klaes Edhall also led a team advising Industrivärden on its €500 million issue of convertible bonds. The deal involved new techniques for carrying out a bond issue, as well as the introduction of terms and conditions for bonds adapted to the international market, but new to the Swedish market.

In another innovative transaction, Mannheimer is advising airline SAS on a SKr5 billion (€531 million) rights issue and refinancing and a SKr1.6 billion convertible bonds issue. The transaction involved new techniques for carrying out rights issues and convertible bond issues, and was made complex by SAS's Norwegian and Danish state ownership structure and its three-jurisdiction listing.

Leading lawyers

Eva Hägg
Anders Lindblad
Hans Pettersson
Thomas Wallinder

Vinge

The end of 2009 saw the departure of Johan Cederlund to a position outside the legal profession. The firm also had to cope with the

departure of Paula Röttorp who left to join the up-and-coming practice at Hannes Snellman. However peers note that the firm is more than strong enough to weather the departures and in fact has had quite a busy 2010.

Like its rivals Mannheimer Swartling, the firm has a large market share, and is able to gain a lot of clients through the recommendation of previous clients they have worked with. "We came across Vinge via a recommendation of another company we have close relations with. I was very impressed by the firm, the quality of work was brilliant. The only negative I would say is that the firm is pricier than others in the market, but if you want quality you must pay for it," says one client.

Partner Mikael Ståhl was highlighted by clients and peers alike as a key figure. "He is a good lawyer, very accurate and thorough," says one client and a rival partner adds: "He is the back-bone of the firm."

Competitors also note the firm's strong transactional skills. "We come across Vinge a lot and their lawyers. I would say they do a very good job, they are always up-to speed and competent on the legal world and financial matters," says one.

The firm has been particularly active on rights issues by financial institutions this year on both the issuer and underwriter side. Göran Nyström and Rikard Stenberg advised the underwriters on Swedbank's SKr15.1 billion (€1.60 billion) and airline SAS's SKr6 billion rights issue. Hans Wibom worked on the issuer side, advising Skandinaviska Enskilda Banken on its SKr15 billion rights issue.

The team was also active in the convertible bonds area; Rikard Stenberg advised JPMorgan Securities on SAS's SKr1.6 billion issue of convertible bonds, while Erik Sjöman advised Orexo on the directed issue of convertible bonds and transfers of existing shares. The deal was worth SKr111 million and closed in March 2010.

Leading lawyers

Göran Nyström
Mikael Ståhl
Hans Wibom

White & Case

White & Case has a strong presence in Scandinavia and this is backed up by an impressive client portfolio. Although some peers noted that the firm has not been as visible in the last 12 months, it still maintains a strong base of work. "They have a strong network, some excellent clients," says one peer,

while another adds: "The service they always provide is client driven."

The firm's powerbase in the region remains the Finnish market where the capital markets team is seen as one of the market leaders. The Swedish branch is not seen as being quite on the same level and observers note that while the firm is a strong outfit, it is not quite in the same league as the top domestics. "White & Case are a good firm, but they are not in the league of Mannheimer Swartling and Vinge. They would not be my preferred firm," says one client.

However the firm has been commended on its strong bench of partners. "The firm has some brilliant names there, they are a strong team in Stockholm," says one peer. Clients also appreciate Jan Lombach's approach: "An excellent lawyer, always efficient and results driven. A very pragmatic and enthusiastic lawyer." Another client adds: "The service the firm is providing is always pleasant."

One highlight this year saw Mats Boman lead a team advising White Shark in the movement of its listing on Aktietorget to First North, as well as a rights offering.

Leading lawyers

Mats Boman
Jan Lombach
Anna Sundberg

Other ranked firms

Cederquist is one of Sweden's longest-standing firms with a solid reputation and strong client database. While some competitors describe the firm as having quite a traditional approach to their work others believe this enables them to build a strong relationship with clients. "Cederquist have a long-standing relationship with the banks, they have a traditional approach and we see them on many banking and capital markets transactions," says one rival partner.

Whilst the quality of the work Cederquist provides can not be questioned, one client notes that the firm's work can lean towards toward the academic side. "Cederquist is a brilliant firm, very traditional, no question of a doubt. We have also used Gernandt & Danielsson for some capital markets work, their partners are younger and take a more commercial approach, while I feel Cederquist is more analytical," says one client.

Cederquist's presence is felt within the market and many competitors commend Wilhelm Luning on his skills. "A brilliant lawyer, the backbone of the firm. He is very experienced and very knowledgeable," says one rival peer. A client adds: "Always great having him on my side, knows his market

inside out. One of the best legal advisors I have come across."

Observers note the firm is active on capital markets deals. The team advised Billerud on the €100 million rights issue in September 2009. On the debt side Claude Unge instructed Vattenfall Aktiebolag on the changes to its debt issuance programmes as part of the merger between Vattenfall Treasury and Vattenfall.

In an interesting cross-border deal, the team acted for Kommuninvest i Sverige on the establishment of its \$A1 billion (€698 million) Kangaroo & Kauri bond issuance programme.

Leading lawyers: Magnus Lindstedt and Wilhelm Luning

Linklaters' Swedish office has had a tough time of it this year, there is no doubt. Lawyers Martin Börresen and Peter Högström left for Ashurst and Lindahl at the start of April 2010, whilst Björn Winström moved into the partnership of Roschier's mergers and acquisitions team in May. The firm has also seen a number of associates leave the firm this year.

To give some background, after the 2001 merger with Lagerlof & Leman to create Linklaters Lagerlof in Stockholm, the office had 35 partners. It now has nine. Observers are keen to see how Linklaters will recover from the recent losses. One peer says: "The story of Linklaters is a very sad story, it is hard times for them in Sweden."

With a lack of capital markets work in Sweden, commentators observe that the magic-circle firm is using its strong ties to London to generate new mandates. "The firm is getting a lot of work from the network," says one rival partner.

Nevertheless, clients appreciate Jörgen Axelsson's approach. "A great leader, he is hard-working, always on the ball and never fails to impress. I use him regularly and he is very good," says one.

Despite the string of departures, the firm has advised on some impressive transactions, showing that it still has the strength to work on the big deals with a smaller team.

One of these included advising the Bank of America Merrill Lynch and a syndicate of banks on Nordea Bank's \$15 billion MTN programme in October 2009.

The firm also advised Black Earth Farming on obtaining approval to list its Swedish Depository Receipts on Nasdaq OMX Stockholm, away from Nasdaq OMX First North. The deal was only the third listing on the exchange this year.

Leading lawyers: Jörgen Axelsson

With the appearance of Finland's Roschier in the Swedish market in 2005, it opened up more competition for long-standing firms,

such as Mannheimer Swartling and Cederquist.

With a top-notch reputation in Finland, the firm is hoping to repeat its success in Sweden also. With a mere five years experience in the market, the firm seems to have created quite an impression amongst its rival peers and clients. "In Finland they are top-class, we have liaised with them before, and in Sweden I would say they are coming up. They are growing, they are set to be a very strong outfit," says one peer.

A client adds: "I have used Roschier in Finland and in Sweden and the services that they provide in Finland is replicated in Sweden. It is always a pleasure to work alongside them," says one client.

Ola Åhman has been praised by clients for his approach. "He is a very good lawyer, he knows his market he is very approachable, responsive and appreciates his clients' needs."

The firm this year advised Novo in the acquisition of significant blocks of existing shares from two existing venture capital shareholders, subject to approval at an extraordinary general meeting.

The firm also advised Arctic Paper on its IPO and listing on the Warsaw stock exchange. The listing was valued at €40 million and was closed on March 1 2010.

Leading lawyers: Ola Åhman

Finland's **Hannes Snellman** entered the Swedish markets in 2008 and since then the firm has created a strong impression on the legal community. "Hannes Snellman have done well, in two years they have built up a strong brand. We see them across the table, they do a good job, we have been hearing good things about them," says one rival peer.

The firm undertook a recruitment drive in the last year poaching Paula Röttorp from Vinge. This hire, along with others in recent years, has enhanced the firm's reputation and given clients confidence in its commitment to the market. "By having these names working in the firm, the firm looks more appealing to use, because they are names that I recognise and have used in previous years," says one client.

The last 12 months have proved successful for the firm, with one highlight being its advice to Arise Windpower, an expanding alternative energy company, in connection with its SKr687 million (€73 million) IPO on Nasdaq OMX Stockholm in March 2010. This was the first flotation to have been launched since the market began to improve in the second half of 2009.

Leading lawyers: Sören Lindström

Competitors point out that **Setterwalls** "has had a good year". The firm has been commended on its attitude to new business. "I used the firm for the first time, and they

were welcoming and very accommodating to my needs, they were responsive and thorough, I shall certainly go back to them," says one client.

Wistrand has had a busy year and observers note how the firm has had a good pipeline of transactions. One rival peer says: "Wistrand has had a good year; they have been active on some good deals."

Leading lawyers: Monica Petersson

Banking and project finance

Recommended firms	
Tier 1	
Cederquist	Mannheimer Swartling
Vinge	
Tier 2	
Gernandt & Danielsson	White & Case
Tier 3	
Ashurst	Hammarstiöld & Co
Roschier	
Tier 4	
Baker & McKenzie	Hannes Snellman
Lindahl	Linklaters
Setterwalls	Wistrand

Law firms have seen a shift in the type of work coming into their banking and project finance departments over the last 12 months, with partners busy assisting clients with restructuring and refinancing issues. "A lot of the work has been focused around the crisis, so we see more restructurings and refinancing in the markets," says one partner.

The last 12 months have shown that local banking work is diminishing in the Scandinavian markets. "The Swedish banks have had problems providing money for financing," says one partner.

Banks in the Swedish markets have adopted a tighter lending scheme to clients over the past 12 months. "We see banks being stricter and more cautious," says one partner. Although, commentators are also quick to point out that if the right deal is apparent in the market banks are willing to provide the financing.

Practitioners have also noted that work has come from the international banks, particularly those from Germany and the UK, in the real-estate sector. "The foreign banks have a strong place in the Scandinavian market," says one commentator.

The health sector has also provided firms with a steady stream of deals, but the aviation sector has felt the blow of the recession. "We do not see many aviation deals in the market at the moment," says one partner.

Cederquist

As in the capital markets space, Cederquist is well-known for its "traditional approach". "They are a traditional firm, but are very good on deals and negotiations," says one rival peer. The firm has had an active 12 months and has been advising on some notable transactions.

The firm has gained a strong reputation amongst its clients and peers in the market and has been recognised for the strong ties it has with the banks. "The firm has excellent relationships with many of the banks, this is one reason that they get some very good mandates," says one peer.

This relationship has allowed the firm to maintain a strong position in the banking markets. "We see Cederquist on some good transactions; they have strong relationships with the banks," says one peer, while another adds: "I admire the firm's clients, they have a strong list of reputable clients, Swedbank is one of them, they are well connected."

Clients commend Svante Hultqvist on his approach: "He is very hands-on, pragmatic, diligent and competent; that is him in a nutshell," says one client. Another adds: "He is superb, he delivers on time, he is approachable and is a fantastic banking lawyer, he is always a pleasure to work with." Competitors describe him as: "A dedicated lawyer and a brilliant person."

Last year Hultqvist acted as counsel to Nordea bank on the refinancing of existing facilities to H13G Enterprise, the supplier of 3G mobile solutions.

The team also advised Svenska Handelsbanken on the financing of the listed pharmaceutical company Biovitrum's acquisition of Swedish Orphan International Holding and the refinancing of Biovitrum.

In another deal the team acted as counsel to Zhejiang Geely Holdings Group in the financing matters in connection with Geely's acquisition of all shares in the Volvo Car Corporation from Ford.

Leading lawyers

Svante Hultqvist
Mattias Larsson

Mannheimer Swartling

Rivals of Mannheimer Swartling highlight the firm's capacity as one of the key reasons behind its success. "They are an excellent outfit, one of the biggest names in Sweden. They

have the biggest department, the most skilled lawyers with the widest breath of knowledge,” says one peer. Clients are also complementary. “The firm provided a very satisfactory a service to us, we were happy with them,” says one client.

The firm has also avoided the trap of allowing its size to breed complacency, as one client says. “The firm are one of the biggest outfits here in Sweden, but that isn’t the reason we use them, we use them because of their services. A brilliant firm, always efficient, have some excellent people that are efficient and always results-driven.”

Last year the team at Manheimer Swartling instructed Hilding Anders in connection with a reorganisation of the group’s capital structure. The value of the capital contribution and loan conversions covered is approximately SKr1.6 billion (€170 million).

The firm’s individuals also came in for praise as one rival says: “The firm has some very good recruits.” A client adds: “Jan Kansmark is an excellent lawyer, one of the main partners. Speaking from a layman’s perspective, he does everything, he is a specialist and does not let the client worry. A brilliant person to have on your side.”

André Andersson was also mentioned by lawyers and clients as an outstanding legal advisor, as one peer says: “André Andersson, I can only describe him as one of the biggest names in the industry, one of the best lawyers I know. Articulate, concise and his legal knowledge is superb, a brilliant lawyer although recently I have seen less of him I think he has been active on the management side more.”

A client adds: “He has a vast amount of experience in this field, he has a brilliant mind and is very creative especially for matters that are exotic.”

Another highlight last year saw Daniel Karlsson instruct Nordea Bank and Skandinaviska Enskilda Banken in relation to the €175 million revolving facility provided to Gunnebo and Gunnebo service.

Another mandate came from Dal Nordic Finance, formerly known as HSH Nordic Finance, in connection with the \$133 million sale-and-lease-back transaction regarding container boxes.

Leading lawyers

André Andersson
Jan Kansmark
Mattias Lampe
Thomas Petttersson

Vinge

Observers note that the banking and finance team at Vinge have had a busy year. “They are

a fantastic firm that have a strong reputation in the Swedish market,” says one peer.

The team at Vinge has been praised by clients and peers. “They have a good team who are quite knowledgeable.” A client adds: “Mikael Ståhl is very good, we deal with him. He simplifies complex subjects, and really tries to understand the client’s needs.”

Some clients did question how much of a focus the firm has on finance work. “They are one of the biggest firms in Sweden in terms of name, they have an adequate practice but there has been a decline of the amount of focus that they put into the banking and finance side,” says one.

However, rivals point to the strength of the firm’s client list. “The firm has worked with some big international names, but they also do local work as well, on major and the smaller-scale transactions,” says one.

This year the firm advised SJ on the financing from the Nordic Investment Bank in order to partly fund 20 new high-speed trains. The deal was closed in August 2009.

The team at Vinge also represented a global investment bank on an asset-backed credit facility agreement in connection with a Sweden-based funding of consumer loans originated by Nodax Finans.

Stefan de Hevesy also advised Westdeutsche Immobilienbank on the drafting, and negotiation of a credit facility agreement regarding a property financing during a period in which property deals were more or less non-existent. The deal was closed on November 30 2009.

Leading lawyers

Stefan de Hevesy
Fabian Ekeblad
Mikael Ståhl
Hans Wibom

Gernandt & Danielsson

“They are a good team to have on your side,” says one client. The banking and project finance team has had an active year and has been advising on some notable transactions. “They are a firm that we are seeing more and more of,” says one peer.

One advantage the firm has over some of its Swedish rivals is that the firm houses a younger team. “The partners are younger, you get a more modern service from the firm, rather than a more traditional service that you receive from other firms,” says a client.

This approach is largely seen as a positive by the firm’s client base, although it does not suit everyone and some have questioned the firm’s experience. “They have younger partners, the quality is always good, but I think

there is a slight inexperience there,” notes one client.

One of the young guns highlighted by clients and peers alike is Niclas Rockborn. “Niclas Rockborn is the person we deal with from the firm, he is very good. He impressed me with his legal knowledge and ability to handle tough tasks,” says one client. A rival peer adds: “Niclas Rockborn is a good guy, his knowledge is very high and he works very thoroughly.”

Last year the firm advised Segulah and Medstop Holding, in connection with the financing of 62 pharmacies acquired from Apoteket and the financing of the acquisition.

The team also instructed Kerling and Ineos Norway SPV, in connection with the refinancing of the Ineos group.

The firm also advised the international health care group Fresenius in connection with the financing of the acquisition of APP Pharmaceuticals, a leading manufacturer of administered generic drugs in North America worth \$1.3 billion.

Leading lawyers

Niclas Rockborn

White & Case

The firm retained its tier two position after commentators observed that White & Case is an important force in the Swedish market. One rival peer says, “The firm has been doing well on the banking and project finance side.”

Observers note that the firm’s strength lies in its banking and project finance capabilities. “I think they are really strong on this side, I think this is one their strongest practice areas,” says one rival peer, while a client adds: “I was very pleased with the service I received from the firm.”

Rival also commended Magnus Wennerhorn on his skills: “He is a brilliant lawyer, very dedicated to the legal world and very hardworking.”

Leading lawyers

Göran Åseborn
Magnus Wennerhorn

Other ranked firms

“Roschier are definitely a firm that is growing, they are making a name for themselves here in Sweden,” says one rival partner. The firm has generated a great deal of positive attention and has managed to develop its market share over the last few years: “I engage with Roschier on banking and finance deals and they are very good, excellent in fact,” says one client. A peer adds: “They have a good client

database, you see them work on more high-profile banking cases more regularly.”

Clients appreciate the firm’s knowledge. “They have great lawyers and a good understanding of commercial laws and always understand clients needs,” says one. One of the firm’s stand-out performers in the eyes of clients and peers is Fredrik Rydin: “The firm has a great team, Fredrik Rydin is a name to mention, they are doing very well,” says one peer, and a client adds: “He is a diligent lawyer, very knowledgeable and understands complex matters. He is very good.”

The firm recently advised Paroc Group on the renegotiation of the financing of a distressed multi-jurisdictional industrial group, acting for the borrower side in the renegotiation and re-structuring of the financing of the group, and advising the group on insolvency related matters. The case was valued at €750 million and closed in December 2009.

Leading lawyers: Fredrik Rydin

Hannes Snellman is a fairly new firm to the market but is seen to be carving out a niche generating some positive attention from commentators. “We are always very happy with the services the firm has provided to us, they have been efficient and productive. They combine the practical approach to clients and theoretical knowledge to cases, a great combination,” says one client.

The firm added two partners to its banking department last year with Ingvar Zander joining from Linklaters at the end of 2009 and Paula Röttorp from Vinge at the start of 2010.

One rival partner says: “We usually see the firm act on the issuer side; they usually do a good job.” The team advised Tamro on the financing of its bid for Apoteket, Sweden’s state owned pharmaceuticals retailer.

Leading lawyers: Fredrik Olsson

“We are working on a transaction with Lindhal, I would say that so far it has definitely been a positive impression that they have left on us. They have dedicated all resources to the deal and so far delivered on time, they are being very responsive and thorough,” says one client.

Observers note that the firm is not quite as active as some of its contemporaries. “We see more of Roschier and Hanne Snellman than Lindhal,” says one rival peer. However individual lawyers did draw credit from clients: “Lars-Henrik Andersson is a fine lawyer, he makes time for his clients and makes sure he is available. He is diligent and always on the ball.”

Last year the firm advised DnB NOR bank in relation to the SKr350 million (€37 million) term loan facilities for the acquisition of a property company.

Leading lawyers: Lars-Henrik Andersson

Linklaters moves down a tier this year after the firm suffered the loss of a number of partners from its Stockholm office. Although the biggest hits came on the corporate M&A side of the practice the firm’s overall capacity has clearly been affected. “The firm is downsizing heavily, they have lost a lot of their associates and partners,” says one partner.

The long-term effect of this staff reduction is unclear, but some commentators see the firm as relying on the strength of its London office. “The only way they are receiving work is via the network in London. They are assisting them a lot,” says one rival peer.

Despite these problems Linklaters maintains its strong name and network and still claims roles on some of the market’s biggest deals. One of these impressive mandates was advising Bank of America Merrill Lynch as the arranger, and a syndicate of banks as lead managers on Nordea Bank’s US\$15 billion MTN programme.

Partner Per Nyberg received praise from clients. “He is very knowledgeable, very responsive and very precise. The service you receive from Per Nyberg is always thorough, he is an expert in his field,” says one client, while a rival partner adds: “He has a vast amount of experience, I am always impressed by him.”

Leading lawyers: Per Nyberg

Setterwalls increased its headcount this year, with the addition of partner Peter Sarkia from Hammarskiöld.

The firm has received praise for its response time. “The firm has a good turnaround time and is responsive,” says one client, while another adds: “The good thing about Setterwalls is that they don’t mess around, if you want to speak with a partner you will get through to a partner.”

Whilst the firm has been described as a “sophisticated outfit”, observers also note that the firm is not in the same league as some of its larger contemporaries. “Whilst the firm is good for mid-size deals, I would be reluctant to use them for the high-end deals, I would go to a bigger firm for those because I would know they would provide a remarkable service,” says one client.

A highlight last year was the firm’s advise to Standard Bank in relation to a \$125 million facility agreement to the oil and gas company PA Resources, the transaction was closed in September 2009.

Mergers and acquisitions

Recommended firms

Tier 1

Gernandt & Danielsson
Mannheimer Swartling
Vinge

Tier 2

Cederquist
White & Case

Tier 3

Hammarskiöld & Co
Linklaters
Roschier
Setterwalls

Tier 4

Ashurst
Baker & McKenzie
Delphi
Hannes Snellman
Lindahl
Wistrand

The mergers and acquisition market has been very quiet over the last 12 months and the focus for many lawyers has remained private equity. “We have seen a pick-up of deals in this area,” says one partner.

On the distressed side, the automotive industry has provided firms with work and the healthcare sector has remained relatively steady, whilst IT felt the blow of the financial crisis.

Observers note that financing is still a problem for banks, which leads to investors being more cautious and leaves lawyers with a string of broken projects. “At the moment there is a problem with financing so this leaves investors feeling cautious. That is the main trend we are seeing. Hopefully when the economy gets stronger, this problem will dissolve,” says one partner.

M&A lawyers have also seen a decline in the volume of real-estate transactions. “The real-estate sector has declined there are a few deals but nothing substantial at the moment,” says one lawyer.

On the other hand, whilst the number of Swedish investors in the market has declined, the number of foreign investors coming into the market has definitely increased. “We see more interest in the Swedish markets from people outside of the country,” says one partner.

Gernandt & Danielsson

“The firm has some very impressive clients,” says one peer. Gernandt & Danielsson has had an active year and retains its tier one posi-

tion. "They are much smaller than the other top firms in Sweden, but there is justification to why they are at the top, they are very good," says another rival peer.

The firm has been described by observers in the market as "a top-class firm" known for its work in M&A. "They have high standards, they produce top class work and this is why we remain loyal clients to them," says one client. A rival partner adds: "In the last few years, the firm's reputation has really grown, they have been doing well. They have the resources, the people and the skills."

Clients were also quick to praise the firm's approach to its work. "The firm are very hands-on, very approachable and have all the strong skills needed that clients look for in law firms. They are diligent, pragmatic, hardworking, they work as a team but are also fast-thinkers. They are always my first choice," says one client.

Whilst 2009 has definitely been a good year for the firm as a whole, Dick Lundqvist has enhanced his own reputation with many competitors mentioning him as one of the "best lawyers in the market", he has also managed to boost the firm's standing in the legal world. "Working with Dick Lundqvist is refreshing; he is very efficient and pro-active." Another client adds: "One of the main reasons I use this firm is due to Dick Lundqvist, he is a pro, a perfectionist and a master. I salute him on his skills." A rival partner says: "He is a specialist, a brilliant lawyer and very impressive."

One notable deal Lundqvist advised on was for Providence Education International, in connection with a public cash offer to all share holders in AcadeMedia.

The firm also advised Pernod Ricard, one of the world's largest wine and spirits companies and listed on Euronext, and its wholly-owned subsidiary V&S Vin & Sprit, one of the world's leading spirits companies, in connection with the SKr835 million (€89 million) sale of certain Nordic wine and spirits brands, including among others Explorer, Blossa and Svenska Nubbar.

Leading lawyers

Manfred Löfvenhaft
Dick Lundqvist

Mannheimer Swartling

"One of the biggest firms in the market, with the expertise to be able to do the big deals," says one peer. The firm stays strongly placed in tier one after commentators note that the firm has had a good year. "The firm is very good, they are very active and have very good people there," says one rival peer.

While many of the firm's practitioners are seen as "top lawyers", in the market, one name that echoes in the Swedish market is Björn Riese. "He is a brilliant lawyer, he is very understanding, he listens to his client's needs and delivers a brilliant service. I was very, very impressed with him, he sets the standards for the mergers and acquisition team," says one client.

A peer adds: "He is a superb lawyer, his knowledge is brilliant, he is very experienced and has a good grasp of complex matters." Another lawyer that has been doing well in the present market is Adam Green. "A very professional, down-to-earth lawyer, seeing him on the other side is always a challenge. He is a strong player with high legal knowledge," says one rival partner.

A deal highlight this year saw the team advise Ford Motor Company on the sale of Volvo Car Corporation and its assets to Zhejiang Geely Holding Group. The team also advised Coca-Cola Enterprises on its acquisition of the Coca-Cola company's Swedish and Norwegian bottling business.

Whilst the firm is commended on its skills and on being a "solid outfit", some clients say the junior lawyers could improve on the turnaround time of work. "The firm are excellent but the skills of the juniors does not match that of the partners, I am sure in time it will but they are slower on the turnaround of documentation," says one client.

Clients also mentioned the firm's fees, but point out that you get what you pay for. "We use Mannheimer Swartling a lot, they are expensive, but what keeps me coming back to the firm is the level of service that they provide," says one client.

Leading lawyers

Eva Hägg
Åke Kjellson
Björn Riese
Bo Söderberg

Vinge

"A great mergers and acquisitions team, they are one of my preferred suppliers I use," says one client. Whilst doing well in capital markets and the banking departments the firm has managed to secure a solid reputation in M&A also. "They are a big name, when you are up against them you know they mean business, there is no messing around," says one rival peer.

Among the firm's deal highlights last year was advice to NTT Communications on the acquisition of the entire share value of digital security company Secode from Norvestor. Another notable mandate saw the team advise EQT III on the sale of the Aleris healthcare

group to Investor for SKr4.4 billion (€469 million).

Clients appreciated the firm's quality, even if it does come at a price. "They are expensive, they are not a cheap firm but saying this they produce great work, with a brilliant turnaround time," says one client.

There was also praise for the quality that permeates through the firm. "The associates are well trained, the partners are professional and the firm is always thorough. When I work with them, I know what kind of service to expect, as service that keeps me happy and a service that reflects in the quality of work," says one client.

Leading lawyers

Carl Gustaf De Geer
Bertil Villard
Johan Winnerblad

Cederquist

Cederquist saw the departure of four of its partners this year from the M&A department, Olof Fältman, Lennart Kanter and Per Ugge all moved to Nord & Co at the start of 2010, whilst Olle Jansson moved to Kilpatrick Stockton at the end of 2009. Commentators are keen to see how the firm will react to these changes.

Despite the recent departures, commentators observe that the firm has had a good year. "They have been lucky in the current climate, they have been doing well," says one rival peer.

Petter Wirell was highlighted by clients. "He is always great to have on side, he is the one I would recommend to use from Cederquist," says one client. A peer adds: "He is a good lawyer, a tough player to be up against, his strengths lie in negotiations."

"The firm provides good advice, they are always focused to the needs of the clients and they are very results driven," says one client. Peers are equally complementary. "Cederquist have good relationships with their clients and a great client database," says one.

The firm this year advised the seller, Bonnier Business Press and Tidnings Ab Marieberg in conjunction with the sales of the media group, AS Dena, and the business newspaper, Dianas Bizness to Nedela in July 2009.

Peter Wirell also advised on the seller side for SEB Venture Capital and the other sellers of Time Care to Allocate Software. The transaction will create one of the leading providers of workforce management software for the healthcare sector in Europe.

Leading lawyers

Wilhelm Lüning
Petter Wirell

White & Case

"A very good firm, they have a great culture and an excellent approach in the market," says one peer. A client adds: "The firm is brilliant, they always produce a brilliant service, they are professional, pragmatic, and hard-working and dedicated to their clients."

White & Case had an active year and maintains a quality client list. "The firm has a good selection of local and international players. They are very lucky in that sense," says one rival peer.

Commentators commend Anna Sundberg on her approach: "A very good M&A lawyer. We always see her on the other side, she is always very thorough and clients are always impressed with her skill set," says one rival peer.

Leading lawyers

Ulf Johansson
Anna Sundberg
Claes Zettermarck

Other ranked firms

Linklaters move a down a tier this year after losing two partners to rival firms this year, Peter Hogstrom moved to Lindahl and Martin Borresen to Ashurst in April this year.

Observers are keen to see how the departures will affect the firm's position in the market. "The firm is in a bad shape and no one can predict to how they will recover from this," says a peer. Many commentators believe that the firm is being kept alive through the deals fed through the London office. "Linklaters has been badly hit and the firm is still feeling the after-effects, they are living off the London network feeding them work and the strong reputation the London office has," says another peer.

However, the firm still has talented practitioners on-board, with Jörgen Axelsson high on the list. "He has a spectacular mind, very creative, always looks at all the possible solutions. I am always happy with the work in which he provides," says one client. A rival peer adds: "There is no doubt in his skills, he is a great lawyer. Very capable, very diligent, very thorough and very diligent and pragmatic."

Whilst many competitors feel the firm is in troubled waters, Linklaters has nevertheless had a strong pipeline of deals this year. One notable transaction saw the firm advise TStone Corporation on the partial public cash offer in Sweden to the shareholders of Anoto Group. The offer, the first partial public cash offer made in Sweden, was closed in March 2010 and worth SKr139 million (€14 million).

The firm also advised BAE Systems in the UK and Sweden on the sale of half of its stake (10.2%) of shares in Saab. The deal was valued at over SKr1 billion.

Leading lawyers: Jörgen Axelsson

Roschier poached one of Mannheimer Swartling's partners Magnus Wallander in October 2009 to increase its capacity in M&A.

Observers praise the firm on its approach. "Roschier are a good firm, they have very good legal knowledge and understand how to simplify complex subjects to their clients," says one client, while a rival adds: "The firm are coming up. We see them regularly; they have a good team who have good corporate knowledge."

The firm acted for Artic Paper this year in the acquisition of Grycksbo Paper, a Swedish paper mill, from Accent Equity 2003. This deal involved a number of refinancing elements which related to a structured deal within the pulp and paper industry.

The team also advised Saab in its sale by General Motors to Spyker Cars.

Leading lawyers: Jens Bengtsson

"**Setterwalls** always provide a satisfactory service," says one client. "We are pleased about the way in which they represented us," says another client. Setterwalls has been commended by observers for their approach and style they adopt. "They are an adequate firm, they do some good transactions and they have some good people," says one rival peer.

The firm has had an active 12 months, and has made a positive impression on the market. "I would definitely say Setterwalls are a competitor," says one rival. Another adds: "A very well-run firm, organised, up-to-speed and have the legal knowledge to succeed even in a tough financial climate."

The team at Setterwalls assisted the wind power company Arise Windpower in connection with the listing on the Nasdaq OMX Stockholm. The market value of the listing corresponds to a total market value of SKr1.75 billion (€186 million). This was one of the first Swedish listings on the main OMX list since the start of the financial crisis.

The firm also advised Thuban in connection with its public offer for all the shares in Ledsteriman.

Leading lawyers: Anders Söderlind

"**Baker & McKenzie** has a strong mergers and acquisitions department," says one peer. The firm has managed to provide clients with some good advice, which has put them in a favourable position. "They are an international brand, they have the power to have some very good names at their firms," says a competitor.

Despite being in the market for only a few years, the M&A department at **Hannes**

Snellman is living up to the standard that clients have come to expect from its established Finnish practice. "Definitely a good service and nothing less," says one client.

"We have liaised with the Finnish team and were impressed with their professionalism and the Swedes are getting there also. It is still early days for them," says a peer. Another competitor adds: "They are getting better and becoming more visible in the market."

Richard Åkerman is one the main players at the firm and he has been praised for his approach. "He is one to watch," says one peer, and another adds: "I think he will bring the Swedish branch a great deal of success, but it is still early days. He is a star though, he knows his market, his legal knowledge is top-class."

The firm this year advised Triton on the €850 million acquisition of Ambea from 3i, the transaction is the largest leveraged buy-out in the Nordic region in recent years and one of the largest private-equity healthcare transactions completed since July 2007.

Leading lawyers: Richard Åkerman and Fredrik von Baumgarten

"**Lindhal** has a lot of great potential," says one peer. The firm has been described as a firm with the "capacities with the resources to be able to provide sound legal advice, the corporate partners are consistent and pleasant," says another competitor.

While Wistrand doesn't have the same market share as many of its competitors, it is still recognised by the market as one of the leading firms in Sweden.

Clients have only said positive things about the way in which the firm operates. "The firm is co-operative, approachable, hard-working, efficient, responsive, shall I go on? I only can say positive things about them," says one.

Leading lawyers: Lars Hasp