

# France

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## Recent legislative reforms concerning listed companies

**Arnaud Larrousse and Jean-Pierre Martel**  
**Orrick Rambaud Martel**  
Paris

The most obvious trend in the various corporate and finance sectors over the past two years has been the impressive number of new regulations issued to complete or amend the rules applied by listed companies.

In transposing European directives or purely amending internal legislation, these reforms relating to corporate finance aim at implementing corporate governance principles, such as the increase in the powers of shareholders, the harmonization of the information available to shareholders or the transparency of information given by issuers.

### Increase in the powers of shareholders

Since 2006, and the French takeover law implementing the European directive on takeovers – which got a lot of media attention – the principle is that any defensive measures against hostile takeovers need to be decided by the shareholders of the target company.

The new law also offers new defence opportunities against hostile public offers: for example, the shareholders can authorize or decide the issuance for free of stock subscription warrants (*bons breton*), allowing existing shareholders to subscribe for shares under preferential conditions. The potential diluting effect and the increase in the cost of the offer might discourage the bidder.

In 2004, the order relating to transferable securities (*Ordonnance portant réforme du régime des valeurs mobilières*) gave the opportunity for shareholders of the company to issue preferred shares conferring special rights of all kinds (financial, information and voting rights) either on a temporary or permanent basis.

### Harmonization of the information available

The European regulation on international accounting standards (IFRS) unified the approach to the accounts of listed companies in the EU. This unification should make comparison of financial situations easier, regardless of the nationality of the issuer.

In France, the implementation in July 2005 of the Prospectus

Directive by the law on the modernization of the economy made it mandatory to draw up and publish an amended type of prospectus for public offerings of financial instruments, and created a new definition of qualified investors and public offers of securities. It also harmonized the disclosures made in the prospectus, and created a single system of financial disclosure and a single passport for the issuance and sale of equity and debt securities in Europe.

### Transparency of the information given by issuers

The Market Abuse Directive – transposed in July 2005 into French law – introduced a single system to prevent insider dealing and the use of inside information, price manipulation and dissemination of false information.

It also established special requirements for the listed companies, its officers and intermediaries concerned, such as an obligation to draw up a list of insiders, and for financial intermediaries, to report suspicious transactions. Also, the French financial market authority (the *Autorité des Marchés Financiers*) defined market practices with respect to buyback programmes.

### Markets still to assimilate these numerous reforms?

The multiplicity of these reforms, and their technical nature, required a huge investment from the various operators to assimilate those new frames. In the meantime, a number of them already wonder whether the various aforementioned reforms really achieve their goals with regard to corporate governance principles.

For instance, even though the amended French takeover regulations have not yet been experienced, their effectiveness is already under question. Has the power of shareholders been substantially strengthened by the reform, since shareholders already had the power to chose whether or not the offer would be successful by tendering or not their shares to the offer?

With respect to preferred shares, the creation of this new, US-inspired regime has not involved a substantial revision of the former existing regime (except, perhaps, from the possibility for the issuing company to redeem preferred shares) but a simplification of the former existing rules.

Finally, regarding the transparency and harmonization of the information, should the information available keep getting increasingly full and specific, mainly through the implementation of the market abuse directive or the prospectus directive, really substantial and qualitative information may be diluted.

### Various legislations still announced

Timetable of reforms in corporate and finance sectors are known in advance. The French financial market authority recently published its working programme on domestic and international regulation for the coming two years.

Other provisions harmonizing minimum periodic and ongoing disclosure requirements for companies listed on regulated markets, as well as implementing notification requirements for major shareholdings, should be transposed at the beginning of 2007.

Indeed, we already know that the Financial Instruments Market Directive, which will have some impact on the structure of our market (currently governed by orders) will have to be transposed before the end of 2007.

We are also waiting for an amendment of the general regulation of the French financial market authority, making fairness opinions mandatory for all transactions in which a potential conflict of interests exists, including squeeze-outs, mergers, certain public tender offers and exchange offers and reserved capital increase, in the general regulation.

## Banking

### Recommended firms

#### Tier 1

Allen & Overy  
Ashurst  
Clifford Chance  
Freshfields Bruckhaus Deringer  
Gide Loyrette Nouel  
Linklaters  
White & Case

#### Tier 2

De Pardieu Brocas Maffei  
Jones Day  
Lovells  
Norton Rose  
Orrick Rambaud Martel  
Shearman & Sterling

#### Tier 3

Herbert Smith  
Latham & Watkins

#### Tier 4

Cleary Gottlieb Steen & Hamilton  
Jeantet Associés  
Mayer Brown Rowe & Maw  
Simmons & Simmons  
Sullivan & Cromwell

### Allen & Overy

Allen & Overy's global loans department sees a high volume of work, including a good number of France's premier bank lending deals. The loss of Jonathan Nabarro to Weil Gotshal & Manges should not faze the firm badly as long as it retains heavy hitters like Luc Rentmeesters, Christophe Jacquemin and Rod Cork.

The firm kicked off 2005 by advising Barclays and Société Générale as arrangers of an €800 million syndicated credit facility for Société des Autoroutes Paris Rhin-Rhône (SAPRR). The deal was one of many this year in the French motorway industry, and Jacquemin's team also provided counsel to Autoroutes de France (ASF) in relation to a €1 billion syndicated revolving credit facility in March.

One of the firm's most significant deals is yet to close at the time of writing, as it advises Barclays on a €2.5 billion syndicated loan to RTE, the operator of France's electricity network.

One banking client praised the firm's tailored approach: "We are happy because Allen & Overy knows the obligations and the specializations of the group perfectly."

### Leading lawyers

Rod Cork  
Luc Rentmeesters

### Key contact partners

Carine Chassol  
Pierre Gissinger  
Christophe Jacquemin  
Adrian Mellor  
François Poudelet

### Ashurst

Ashurst's capability in the complicated field of acquisition finance puts it on an even footing with the top end of the banking market. In one standout deal, the firm advised Credit Suisse First Boston and JP Morgan as lead arrangers of BC Partners' and Cinven's leveraged buyout (LBO) of Amadeus Global Travel Distribution. The financing bid was worth more than €4 billion, making it one of Europe's largest LBOs. In September 2005, Ashurst advised Calyon on Apax Partners' purchase of a 39.5% share (€480 million) in Séchilienne-Sidec from Air Liquide. The firm lost out on the privatization of Autoroutes Paris Rhin-Rhône (APRR) and Sanef, backing a losing consortium of bidders led by Cintra. The advice provided to the consortium combined aspects of acquisition and project finance, in a deal valued at €9.5 billion.

The Royal Bank of Scotland (RBS) has been a regular source of business for the international finance department, returning to Ashurst for advice in several syndicated and non-syndicated acquisition finance matters. The bank, along with Calyon, is instructing the firm in relation to LBO France's €1.08 billion takeover of Cegelec.

Ashurst also has a respectable practice advising on refinancing arrangements, such as that of Médica France by The Royal Bank of Scotland, RBS Mezzanine and Intermediate Capital, in a deal worth €297 million.

### Key contact partners

James Collis  
Laurent Mabilat  
Diane Sénéchal

### Clifford Chance

Clifford Chance welcomed back Thierry Arachtingi in December 2005 after a six-year absence at White & Case, joining Diane de Moüy at the head of the firm's banking operations. The team is most often seen in connection with acquisitions, and assisted the winning bidders, Macquarie and Eiffage, on financing aspects of the €6.9 billion APRR privatization. Another significant acquisition finance deal was the purchase of Buffalo Grill by Colony Capital and Colyzeo. Clifford Chance

advised Colony, an American real estate investment firm, on the €340 million transaction.

De Moüy recently spearheaded Clifford Chance's advice to Calyon and RBS in relation to a syndicated credit facility for Veritas Bureau, consisting of a \$560 million term facility and a revolving facility of €550 million. The firm also advised Calyon as lead arranger and documentation agent of a €500 million credit facility arranged for Neuf Telecom in the context of SFR's disposal of shares in Cegetel to Neuf Telecom.

The firm boasts an impressive array of top-drawer clients, including BNP Paribas, the Carlyle Group, Lazard Frères and Natexis. One of the firm's clients pointed out Clifford Chance's "depth of ability", adding: "They've got a huge amount of resources."

#### Leading lawyers

Thierry Arachtingi  
Michael Elland-Goldsmith

#### Key contact partner

Michael Elland-Goldsmith

### Freshfields Bruckhaus Deringer

Though he has ceded the position of head of finance to Hervé Touraine, Michel Quéré continues to lead Freshfields Bruckhaus Deringer's bank lending department with an impressive suite of international banking clients.

The firm's highest-value deal of the past year was Cinven's €790 million facility agreement to recapitalize the Ypsos Group. Quéré's team also acted for Société Générale and Intermediate Capital Group in relation to Astorg's acquisition of Geoservices, an oil prospecting business. Société Générale acted as arranger and senior lender of a senior debt of €115 million, combined with a €40 million syndicated mezzanine debt issue in the form of off-balance sheet activity.

Jean-Luc Michaud is another conspicuous partner of the firm. In March he advised Financière Centuria on the acquisition of Euro Real Estate Properties. The transaction was made on behalf of Qatar Islamic Bank, and involved Islamic finance. His recent acquisition finance experience also includes acting for a RREEF-led consortium in its negotiations with PPR over its disposal of the Printemps retail chain.

Société Générale returned to the firm for counsel regarding Sagar's purchase of the Souriau group. The firm also advised on the refinancing of the group's debt. The acquisition was partially financed under a senior facilities agreement and a mezzanine loan, and had a value of €192 million.

On the borrower side, Freshfields advised CDC Entreprises Capital in relation to a €210 million leveraged buyout (LBO) in the catering sector by Financière Frères Blanc, a special purpose vehicle wholly owned by CDC Entreprises. The deal included 13 principal subsidiaries of the target company.

#### Leading lawyer

Michel Quéré

#### Key contact partners

Antonin Besse  
Jean L'Homme  
Jean-Luc Michaud  
Michel Quéré

### Gide Loyrette Nouel

Gide Loyrette Nouel is admired for the "wide spread" of its banking practice, but it has depth as well as breadth. A large number of the firm's banking deals have values of over €1 billion, and the

firm's experience covers public, private, public-to-private, refinancing and build-up finance deals.

The largest LBO financing arrangement involving Gide this year include a €645 million loan to Loxam Holding, with a €25 million second lien, to finance the acquisition of Loxacor. The firm advised Natexis Banques Populaires as mandated lead arranger of the transaction. It also acted for Société Générale in connection with the €415 syndicated million financing of the purchase of Groupe Zannier by combined parts of the Zannier Family and the management of Financière Zannier.

Gide followed up last year's acquisition of Vivarte, worth €1.59 billion, by representing a consortium of banks in the restructuring of the company's debt. Another debt obligation requiring refinancing worth was Finbakery. The firm advised Natexis Banques Populaires on the €300 million facility.

In general financing matters, Eric Cartier-Millon led a team advising Veolia Environnement as borrowers of €4 billion in the form of a multi-currency revolving facility. A further loan of this type, worth €2 billion, was granted to Vinci. The firm advised a syndicate of six banks in the deal.

Kamel Ben Salah draws particular praise from the market, and heads a team specializing in real estate finance. In one highlight, the group advised Eurohypo, Société Générale and Citigroup in relation to a €950 million refinancing package for Technical, the owner of 207 properties, as it divested shares to Bail Investissement Foncière. The deal will allow the buyer to take advantage of the Société d'Investissements Immobiliers Cotée (SIIC) tax regime, a key element of Gide's practice.

#### Leading lawyers

Kamel Ben Salah  
Eric Cartier-Millon

#### Key contact partners

Kamel Ben Salah  
Emmanuel Fontaine

### Linklaters

Linklaters has long had a strong corporate practice in France, but competitors say the firm has also succeeded in building an effective finance department over the past five years. The result is a balanced firm that ranks highly in all practice areas. Bertrand Andriani marshals a team with an enviable client list, appearing on the panels of numerous domestic and international financial institutions.

In the LBO finance market, the firm advised BNP Paribas in relation to Axa's disposal of Tokheim to funds managed by Electra Partners in a deal valued at €260 million. BNP acted as mandated lead arranger, facility agent and security agent to the deal. ING Finance France used the firm's services in connection with the secondary LBO of the Terreal Group, and the firm advised CIBC as arranger of Industri Kapital's takeover of Bonna Sabla and Consolis. The team also displayed its public-to-private credentials as Vinci instructed it on financing aspects of its purchase of a majority stake in Autoroutes de France.

Linklaters also has a wealth of experience in advising on credit arrangements. One of the year's biggest financing deals was the coordination of a €2.2 billion facility agreement for Legrand, a manufacturer of electrical fittings.

#### Leading lawyers

Bertrand Andriani  
Olivier Jauffret

#### Key contact partners

Bertrand Andriani  
Olivier Jauffret

## White & Case

Although Thierry Arachtingi left White & Case to rejoin Clifford Chance this year, the firm's banking practice still has an impressive pedigree. Gilles Peigney leads the department, which represents BNP Paribas, RBS, Société Générale and Calyon, among others.

The firm is developing its capability in property finance matters, and its most notable transaction this year was its role advising the Starwood Capital Group as it acquired the publicly held shares of Société du Louvre and Groupe Taittinger. Paule Biensan and Vincent Morin advised on financing aspects of the deal. Other real estate clients include Calyon, Natexis and Lehman Brothers. White & Case also acted for Apax Partners in connection with facilities totalling €354 million to fund a public tender offer for Séchilienne-Sidéc.

Another of the firm's specializations is financing the acquisition of aircraft. This year, it continued a run of acquisitions by Aeroflot, advising the company on the pre-delivery and export credit lease financing of seven Airbus A321s. Société Générale also used the firm's counsel on the US export-import financing of a Boeing 747 cargo plane for Singapore Airlines Cargo. Other clients active in this sector include DVB Bank, Natexis Transport Finance, BNP Paribas. Most of these deals had a heavy cross-border element.

### Leading lawyers

Gilles Peigney  
Raphaël Richard

### Key contact partners

Thomas McDonald  
Gilles Peigney  
Raphaël Richard

## De Pardieu Brocas Maffei

As a leading local firm, De Pardieu Brocas Maffei receives a lot of regulatory assignments, but is deepening its foothold in transactional matters, and its real estate activities are reportedly thriving too. A recent example was the €900 million financing of the merger between Foncière des Régions and Bail Investissement Foncière. The firm represented the borrowers in the deal, which was arranged by Société Générale.

In other acquisitions, De Pardieu Brocas Maffei acted as French counsel to JP Morgan in the \$450 million financing of Quiksilver's tender offer for Rossignol, and to Société Générale as lender of €113 million in Rompetrol's acquisition of Dyneff.

The firm's recent corporate finance work included acting as counsel to Wendel, which arranged a €500 million facility with Calyon in October. On the lender side, BNP Paribas instructed the firm on a €335 million loan to Pinguely-Haulotte, a manufacturer of lifting equipment.

The firm advises on plenty of LBO financing matters too, such as its role representing Société Générale in a €90 million loan to Cari BTP. 2005 also brought a string of smaller deals with Crédit Lyonnais as lender.

### Key contact partner

Thierry Brocas

## Lovells

Lovells boasts a good mix of French banking clients like Caisse Nationale des Caisses d'Épargne and Natexis Banques Populaires, and global institutions such as BNP Paribas, RBS and ING Bank. The firm took part in the privatization of French motorway operators, advising a syndicate consisting of Société Générale, RBS

and Calyon on the financing of Vinci's acquisition of 77% of the share capital of Autoroutes du Sud de la France. The strategic take-private transaction had a value of €6.2 billion. Another €6 billion deal was a multicurrency revolving credit facility agreement with a syndicate of banks, in which the firm acted for Electricité de France (EDF) as borrower.

Société Générale has returned to the firm for counsel in a number of deals. A notable example in the real estate sector was the €53 million funding of Altor's buyback of 484,049 shares in Altarea. The share issue was made to pay off Locafimo following the contribution of four shopping centres to Altarea.

Lovells offers regulatory advice alongside its standard banking services, and helped steer Caisse Nationale des Caisses d'Épargne's disposal of €6.5 billion loan portfolios in November 2005. Régis Oréal led the Lovells team, which performed due diligence and drafted contracts for the loans, comprising one portfolio in the public sector and two structured finance and mid-cap portfolios.

### Key contact partners

Jacques Bertran de Balanda  
Richard Jadot

## Orrick Rambaud Martel

Orrick's gleaming reputation in shipping finance was confirmed with two large deals in the sector in early 2006. The first saw Jean-Marc Zampa, Kathryn Ng and Stéphane Salou advise a consortium of lenders comprising Natexis Banques Populaires, Barclays Capital and Société Générale on a €500 million syndicated loan to CMA-CGM, a container shipping business. This was followed up with a loan of \$779 million (€609 million) to finance the construction of two liquefied natural gas (LNG) tankers for lease to the Korea Gas Corporation. The financing agreement covers pre- and post-delivery stages of the project, and the vessels will be jointly owned by STX Pan Ocean and Hyundai Merchant Marine, which were also advised by the firm.

Also in the transport sector, Raphaële Courtier and Louis de Longeaux acted for BNP Paribas, the lead arranger and agent of a €120 million syndicated loan to the operator of Santiago's metro system, Empresa de Transporte de Passajeros Metro. Courtier and De Longeaux also acted for Vivendi in connection with a €900 million loan from a banking syndicate headed by Société Générale.

Orrick's merger with local corporate expert Rambaud Martel should be beneficial for both firms. For Orrick, it gives access to Rambaud Martel's stellar corporate client list, and for Rambaud Martel, it provides a crucial international network and a presence in financial practice areas that were, until the merger, not on its radar.

### Key contact partners

Raphaële Courtier  
Alfred Fink

## Latham & Watkins

Latham & Watkins demonstrated its dexterity in public-to-private deals this year with its role on the financing of Axa Private Equity's attempts to purchase Camaïeu, a listed clothing company. The €550 million transaction involved senior, second lien and mezzanine loans by RBS and Calyon, as well as refinancing of the first takeover attempt, which the firm had also advised on.

Another key deal of the past 12 months was Citigroup and Euro Hypo's €2.8 billion financing of Starwood's acquisition of the Taittinger Group and Société du Louvre. The firm also recently advised lenders in relation to the acquisition of La Soie, Régie Linge Développement and Meniszez, and acted for Goldman Sachs, Deutsche Bank, Banc of America Securities, BNP Paribas and RBS as lead arrangers of the €300 million payment-in-kind loan, the largest of its kind so far in Europe, undertaken as part of the Eutelsat leveraged recapitalization.

Etienne Gentil heads a team of four other partners and 12 associates.

#### Key contact partners

Dominique Basdevant  
Xavier Farde  
Etienne Gentil

#### Cleary Gottlieb Steen & Hamilton

Cleary is not traditionally known as a pure banking firm, but it has been party to a few key deals advising both borrowers and lenders over the past year. In May 2005 the firm acted for BNP Paribas in connection with the financing of the acquisition of Galeries Lafayette, in a transaction worth more than €1 billion. A different team from the same firm is also representing Goldman Sachs in the financing of real estate investments.

On the borrower side, meanwhile, Pierre-Yves Chabert and Valérie Lemaitre acted for Unibail in connection with a €500 million syndicated credit facility, while Andrew Bernstein led a team advising Genesys Conferencing on the amendment of its €50 million credit facility.

#### Leading lawyer

John Brinitzer

#### Key contact partners

Fabrice Baumgartner  
Robert Bordeaux-Groult  
Marie-Laurence Tibi

#### Simmons & Simmons

Arnaud Achard heads up Simmons & Simmons' capital markets group, but takes a hands-on approach to such leadership and is often found on the team's top deals. This year, for example, he advised La Poste in relation to a €750 million credit agreement with Société Générale, as well as a similarly valued refinancing of Trader, in which the firm acted for BNP Paribas.

Simmons & Simmons also has a solid reputation in acquisition finance. Among the year's highlights, in November 2005 the bank lending team advised in relation to Compagnie Financière de Volaille's takeover of Heindrix.

#### Key contact partner

Arnaud Achard

## Capital markets – equity

### Recommended firms

#### Tier 1

Cleary Gottlieb Steen & Hamilton  
Shearman & Sterling  
Sullivan & Cromwell

#### Tier 2

Freshfields Bruckhaus Deringer  
Gide Loyrette Nouel  
Linklaters  
Skadden Arps Slate Meagher & Flom

#### Tier 3

Allen & Overy  
Bredin Prat  
Clifford Chance  
Debevoise & Plimpton

#### Tier 4

Darros Villey Maillot Brochier  
Latham & Watkins  
Willkie Farr & Gallagher

#### Tier 5

De Pardieu Brocas Maffei  
Lovells  
Orrick Rambaud Martel  
White & Case

## Capital markets – debt

### Recommended firms

#### Tier 1

Allen & Overy  
Gide Loyrette Nouel  
Linklaters

#### Tier 2

Clifford Chance  
Freshfields Bruckhaus Deringer  
Shearman & Sterling

#### Tier 3

Jones Day  
Latham & Watkins  
Lovells  
Orrick Rambaud Martel  
Skadden Arps Slate Meagher & Flom  
White & Case

#### Tier 4

Cleary Gottlieb Steen & Hamilton  
De Pardieu Brocas Maffei  
Debevoise & Plimpton  
Willkie Farr & Gallagher

## Capital markets – structured finance and securitization

### Recommended firms

#### Tier 1

Freshfields Bruckhaus Deringer  
Gide Loyrette Nouel

#### Tier 2

Allen & Overy  
Clifford Chance  
Linklaters  
Shearman & Sterling  
Skadden Arps Slate Meagher & Flom

#### Tier 3

De Pardieu Brocas Maffei  
Jones Day  
Latham & Watkins  
Lovells  
Orrick Rambaud Martel  
White & Case

#### Tier 4

Cleary Gottlieb Steen & Hamilton  
Debevoise & Plimpton  
Willkie Farr & Gallagher

### Allen & Overy

Allen & Overy is seen frequently advising on prominent debt-related capital markets transactions, such as Société Générale's first issue under Rule 144A in a number of years. The \$1 billion (€781 million) issue of 5.45% subordinated notes required counsel in French, American and English law, provided by a team including Dan Lauder and Diana Billik. François Poudelet has also been active this year, advising Thomson in relation to a €500 million issue of deeply subordinated notes, followed by Dexia Crédit Local's issue of floating rate undated deeply subordinated notes. Poudelet represented BNP Paribas, which acted as joint lead manager of the €700 million deal.

Most recently, in July 2006, Allen & Overy notched up another landmark transaction when it advised Citigroup as deal coordinator of Axa's €2.23 billion three-tranche hybrid bond issue, to finance the acquisition of Winterthur. Carried out under Axa's debt programme, the deal was the first Tier I issue by a French entity to feature the alternative coupon settlement mechanism as a means of satisfying deferred interest payments.

The firm's securitization team also commands the respect of the market. In December 2005 it advised Morgan Stanley on France's first combined issue of senior and subordinated mortgage interests as an A/B structure. The department, led by Christophe Jacquemin and Fabrice Faure-Dauphin, is now advising Société Générale and HSBC France with respect to separate trade receivables securitization deals, and counts Natexis, Citigroup and Crédit Suisse among its clients.

#### Leading lawyers – debt

Dan Lauder  
François Poudelet

#### Key contact partners

Fabrice Faure-Dauphin  
Christophe Jacquemin  
Dan Lauder  
Frédéric Moreau  
François Poudelet

### Bredin Prat

Bredin Prat derives some equity capital markets work from its powerful position in the corporate sphere. Patrick Dzewolski, an ascendant M&A lawyer, advised Legrand on its flotation on the Euronext Paris stock exchange in April, raising €1.2 billion. The deal was closely followed by the issue by Lagardère of €2 billion in convertible bonds. The Orapa bonds, redeemable at adjustable par value, were designed to give shareholders access to the equity stock of the European Aeronautic Defence and Space Company (EADS).

Didier Martin leads the team, whose active capital markets clients include Crédit Agricole, ABN Amro, Rhodia and the French Treasury.

#### Key contact partner

Didier Martin

### Cleary Gottlieb Steen & Hamilton

Like Bredin Prat, Cleary Gottlieb Steen & Hamilton is traditionally seen as an equity practice because of its strong M&A credentials. But thanks to its non-departmental structure and the presence of two highly visible capital markets lawyers from the US, where the division of debt and equity is less clear-cut, the firm has its slice of the debt and securitization markets too.

Cleary advises on two multi-billion dollar medium-term note (MTN) programmes this year, for Crédit Agricole and BNP Paribas, worth €20 billion and \$10 billion (€7.8 billion) respectively. The firm advises the issuers on the establishment, annual updates and offerings of both batches of securities. It has also been appointed counsel to the managers in relation to a \$4 billion (€3.1 billion) SEC-registered debt shelf by Total and Total Capital. In February 2006, Robert Bordeaux-Groult acted on an innovative issue of €250 million eurobonds, fungible with a prior eurobond issue of €750 million. The bond issue, made by Bouygues, was one of the first Luxembourg-listed bonds done under the new EU Prospectus Directive. The firm is now acting for Goodyear in relation to securitization and structured finance matters with a value of more than €500 million.

It is the firm's equity capital markets practice that draws more attention, though, and Pierre-Yves Chabert and Andrew Bernstein were consistently singled out as leading names in the field. Gaz de France instructed the firm on its €4.5 billion listing in Paris, incorporating a Rule 144A US placement. The Rule 144A regime also applied to the US elements of Ipsen's initial public offering (IPO), valued at €325 million, on which Cleary advised underwriters Goldman Sachs and BNP Paribas. This was followed by BNP Paribas's issue of 84 million shares (€5.5 billion), including numerous private placements. Similarly, the firm is counsel to Générale de Santé in a €300 million rights offering which also involved private placements.

In July 2006, Cleary took part as adviser to the issuers in a cornerstone deal of the French privatization programme. The IPO of Aéroports de Paris will raise €700 million for the French state, whose ownership of the company was reduced to 67.5%.

#### Leading lawyers – equity

John Brinitzer  
Pierre-Yves Chabert

#### Key contact partners

Fabrice Baumgartner  
Andrew Bernstein  
Robert Bordeaux-Groult  
John Brinitzer

#### Leading lawyer – debt

Andrew Bernstein

## Clifford Chance

Clifford Chance has provided advice in connection with all six EMTN issues launched since the introduction of the EU Prospectus Directive. Among these were a €30 billion issue by Caisse d'Amortissement de la Dette Sociale, and further debt programmes by HSBC, Veolia Environnement and the City of Paris. Some of the firm's other debt-side highlights of the past year were Vinci's €500 million hybrid bond issue, and advice on deeply subordinated Tier I notes to a value of €350 million for Ixis CIB.

Following January 2006's deeply subordinated Tier I issue, Société Générale returned to Clifford Chance to appoint the firm as advisor in relation to Société Française de Radiotéléphone's debut €600 million bond issue. In another recent deal, Cedric Burford and Jean-Baptiste de Martigny advised joint bookrunners Deutsche Bank in connection with a €500 million hybrid bond issue by Solvay, a Belgian pharmaceuticals company.

On the equity side, meanwhile, the firm advised ERAP on the continued privatization of France Télécom, with the disposal of a 6% to 8% stake comprising €3.3 million in shares. It has also provided advice on equity offerings in the context of restructurings; for example, a consortium of international banks consulted the firm on the restructuring of Genesys, including a \$65 million (€50.8 million) share issue in France and the US. Clifford Chance also landed a role in the Bull restructuring, leading to a €44.25 million capital increase and a conversion of bonds into new shares in two tranches totalling €6 million, restricted to holders of *Obligations Convertibles En Actions Nouvelles ou Existantes* (Oceanes).

The firm has also taken advantage of the booming real estate market with advice relating to Züblin Immobilière France's public offer, and a groundbreaking deal with CGI, the first German investment fund to list a *Société d'Investissement Immobilier Côtée* in France.

### Leading lawyers - structured finance

Jonathan Lewis  
Richard Parolai

### Key contact partners

Thierry Arachtingi  
Cédric Burford  
Edward Kamman  
Jonathan Lewis  
Diane de Moüy  
Richard Parolai  
Daniel Zerbib

## Debevoise & Plimpton

Pierre Clermontel's equity capital markets team is ascending through the ranks thanks to visibility on a number of premier deals. For example, Debevoise & Plimpton acted for Legrand in relation to its IPO on Euronext in April 2006, which raised €6 billion. In the IPO of Züblin Immobilière France, meanwhile, the firm served as counsel to Natexis Bleichroeder, the lead arranger and bookrunner for the offering.

Clermontel took the helm again to advise BNP in relation to SCOR's issue of €233 million shares, following a €30 million increase through the use of an over-allotment option. The best is yet to come, however – Gaz de France, which has proposed a €70 billion merger with Suez, is instructing Debevoise & Plimpton on share issuance aspects of the transaction. Such instructions bode well for Debevoise's future position in the French market.

Debevoise has been active in the debt capital markets too. Among the year's highlights, the firm represented Alstom in relation to its global offering to exchange newly-issued bonds for the €1 billion aggregate principal amount of its existing bonds, and advised the company on plans to make a further bond issuance. Finally, the firm acted for Axa on the repurchase of exchangeable bonds issued by Finaxa during the merger of the two companies, in a transaction valued at €622 million.

### Key contact partners

E Raman Bet-Mansour  
Marc Castagnède  
Pierre Clermontel

## De Pardieu Brocas Maffei

De Pardieu Brocas Maffei occasionally advises companies and their shareholders in relation to listings on Euronext, such as September's €150 million IPO of Rue du Commerce, in which the firm advised Apax Partners and Galileo Partners. It also acted for the investors in the €60 million listing of Exonhit Therapeutics, and guided Meilleurtaux through its flotation of over €50 million capital.

But the firm's main strengths are on the structured finance side. It has a sturdy and experienced structured finance and securitization practice, which has had wide-ranging year. In October 2005 the firm advised BNP Paribas on a €400 million structured financing matter involving the stripping of credit claims. Calyon has also consulted the firm on two equity swap financings, worth €307 million and €303 million, in the past year. Calyon retained the firm the following month for advice on the €200 million structured refinancing of Project Orascom Algeria, in conjunction with Citigroup.

The securitization of lease receivables is a steady source of work. De Pardieu Brocas Maffei has recently provided advice to JP Morgan, IKB and Svenska Handelsbanken in this respect.

### Key contact partner

Thierry Brocas

## Freshfields Bruckhaus Deringer

French securitization takes place in a mature market, and the thirst for structured products in real estate and other sectors has fuelled a comeback over the past year. This is good news for firms like Freshfields, which has in Hervé Touraine one of the country's top securitization lawyers. With the support of Antonin Besse, he leads a team which has advised banks on several trailblazing deals. Among these, IXIS CIB's €1 billion securitization of Axa's motor insurance portfolio won three awards for innovation, being the world's first securitization involving mass insurance risks. In the same month, the firm acted for HSBC and Société Générale as arrangers of the refinancing of two French and two UK light industrial property portfolios owned by Proudreed. The commercial mortgage-backed securities (CMBS) transaction had a strong cross-border element, the French part valued at €397 million and the UK part at £322 million (€463 million).

In June, Besse advised ABN Amro in relation to a synthetic collateralized €10 billion loan obligation involving two special purpose vehicles (SPVs), one issuing floating rate Euronext-listed notes and the other issuing privately-placed unlisted notes. In February, the firm acted for CMA CGM, a container shipping company, in relation to the first public shipping securitization by

a single operator. The issue included €253 million class A notes, as well as class B and C issues.

“Patrick Bonvarlet is clearly a leading lawyer,” said a competitor, a view shared by the market: “He’s very, very good, and a great negotiator – he’s not frightened to crack a few eggs to make an omelette,” said one client. He continues to be visible on many of the firm’s top deals, such as Rhodia’s €604 million share issue, with preferential subscription rights for existing shareholders, on which he advised Credit Suisse First Boston, Calyon and HSBC. The transaction involved US law expertise, provided by Linda Hesse, a US-qualified lawyer with experience in debt, equity and securities. Hesse also acted for Calyon and Morgan Stanley as lead arrangers and underwriters of a €7.9 billion debt facility for Suez, to part-fund its bid for a minority stake in Electrabel, and in connection with Suez’s related €2.3 billion rights issue. In another acquisition financing deal, she advised France Télécom in a €3 billion multi-jurisdictional issue to fund its 80% takeover of Amena.

Freshfields updated two existing EMTN programmes this year, for AIG and Compagnie de Financement Foncier. Recently, the firm advised Solvay on the issue of €500 million deeply subordinated bonds, and HSBC in relation to a joint borrowing issued by *communautés urbaines* (local governments), which was listed in Paris and Luxembourg.

#### Leading lawyer – equity

Patrick Bonvarlet

#### Key contact partners

Antonin Besse  
Patrick Bonvarlet  
Linda Hesse  
Dougall Molson  
Hervé Touraine

#### Leading lawyers - structured finance

Antonin Besse  
Hervé Touraine

#### Gide Loyrette Nouel

Like Freshfields Bruckhaus Deringer, Gide Loyrette Nouel is a clear favourite for originators and banks seeking advice on structured finance matters and, like Freshfields, its 17-lawyer team is led by a securitization kingpin. Xavier de Kergommeaux draws praise from across the market, but as the firm’s managing partner he has less direct influence than in the past, and the mantle has been taken up by Gilles Saint-Marc and Patrice Doat. Although Gide has always been at or near the top of the French legal market, commentators believe that recently the firm has really upped its game, one noting “they have made a remarkable return – they are back.” A sentiment reflected in the firm winning French law firm of the year at the *IFLR* 2006 European awards.

This year the securitization department advised Axa on France’s first securitization of insurance premiums. The transaction involved the transfer of part of Axa’s deviation risk of its motor insurance portfolio into the capital markets, and a quota-share reinsurance agreement with Nexgen Re, collateralized by senior and junior cash deposits. Axa’s debt fund, FCC Sparc, then issued three tranches of notes to a value of €200 million, in a deal awarded insurance securitization of the year by *Euromoney’s Structured Finance International* magazine.

Morgan Stanley instructed the firm in relation to the securitization of its commercial mortgage loans for a portfolio of 13 properties. The structure involved a *fonds commun de créances* (FCC) with Irish-listed debt obligations. The FCC was established as a repackaging securitization vehicle, corresponding to an intermediate Luxembourg SPV created at the level of the Belgian mortgage loans.

De Kergommeaux made a conspicuous appearance in a €186 million securitization of receivables by Calyon. The issue comprised €100 million-worth of senior bonds, €44.7 million subordinated notes and €40.9 million residual units. The fund, FCC Credilege 2005, was the result of the first French automated bond system (ABS) transaction backed by restructuring consumer loans.

Doat, meanwhile, led a team that advised Merrill Lynch in relation to the arrangement of a complex €325 million loan sale programme. The deal included the transfer and hedge of a portfolio of residential mortgage loans issued by EDF to its employees, and involved class A, B and C bond issues.

The firm recently completed a €550 million issue of Tier I senior subordinated secured floating rate notes in connection with the €3.2 billion leveraged buyout financing of Eurazeo’s purchase of Europcar. It also advised JP Morgan, RBS, HSBC and Merrill Lynch on the issue of €600 million senior subordinated notes for Rexel.

The firm’s activities on the equity side included advice to the French state in relation to the privatization through IPOs of Electricité de France and Gaz de France. Due to Gide’s broad practice, it has also represented both issuers lead managers in a number of other notable flotations and secondary offerings, including Médica, Icade, Arkema and Rue du Commerce.

#### Leading lawyer – equity

Jean-Marc Desaché

#### Key contact partners

Jean-Marc Desaché  
Patrice Doat

#### Leading lawyers - structured finance

Patrice Doat  
Xavier de Kergommeaux  
Gilles Saint-Marc

Xavier de Kergommeaux  
Gilles Saint-Marc

#### Latham & Watkins

Latham & Watkins is a relative newcomer to the structured finance market, having poached Basil Zotiades from Linklaters in 2004. Since then the firm has built up a respectable practice in niche high-yield products (unsurprising, given its prowess in this area in London and, indeed, globally) and securitization. Zotiades has advised Axa on a number of structured finance programmes lately, including a hybrid collateralized debt issue comprising five tranches of notes and a series of combination notes, a transaction worth \$241 million (€188 million) with a reference portfolio of \$670 million (€524 million). Another of Latham’s returning clients in this field is Ixis, which has instructed the firm in relation to various hedge fund-linked products using a constant proportion portfolio insurance technique, such as the private placement of negotiable MTNs and zero-coupon variable redemption bonds.

Among this year’s highlights in non-structured debt issuance was a €500 million offering of fixed-to-floating rate undated senior subordinated notes by Groupama. The firm also acted for the initial purchasers, BNP Paribas and Société Générale, in connection with Saur’s issue of €265 million high-yield notes. In November 2005, Lafarge made a public offer to buy back its Océanes convertible bonds. Consequently, the building materials company retrieved 34.4% of its initial issue, adding to a 29.6% buyback in 2005.

Latham & Watkins has recently participated in two key IPOs in the technology sector. The first was the €100 million Euronext listing of Meetic, with both domestic and internation-

al offerings, in which the firm advised Société Générale, the lead manager of the transaction. The second was the IPO of Modelabs, a French telecoms company, which offered €60 million-worth of shares. The firm also served as counsel to the agents in a private investment in a public entity (PIPE) by NicOx, consisting of a €45.5 million capital increase by a private placement reserved to 43 institutional investors. Roberto Cristofolini was Latham's main lawyer in all three equity transactions.

#### Leading lawyer – equity

Roberto Cristofolini

#### Key contact partners

Roberto Cristofolini  
Patrick Singer  
John Watson  
Basil Zotiades

#### Linklaters

Linklaters is the accepted favourite of the French debt capital markets, but many market observers suggest its complete dominance is waning. But as long as it retains Gilles Endréo, “a leader concerning debt issuance”, the firm has nothing to fear. It recently represented Merrill Lynch, Calyon and RBS on the issue of €500 million hybrid bonds for Vinci, in one the first French deeply subordinated bond issues to use the new International Financial Reporting Standards (IFRS) notion of equity securities as a trigger for compulsory coupon payments. The firm also advised on two parallel series of US dollar- and euro-denominated bonds for Caisse Nationale des Caisses d'Épargne, and Thomson's issue of undated deeply subordinated fixed-to-floating rate notes, the first to include a change of control event, which was structured as a call option with a 5% coupon step-up if the issuer does not exercise it.

In the high-yield sphere, Linklaters advised Compagnie Générale de Géophysique in connection with an issue of high-yield bonds and an SEC-registered exchange offer, in addition to the financing of its takeover of Exploration Resources by way of a bridge loan facility.

The firm is less visible in securitization, but has still completed a number of high-profile deals, including advising BNP Paribas on a €1.5 billion securitization of consumer loans issued by one of the bank's subsidiaries. The securitized loans were allocated to Compartiment Noria, the largest-ever consumer loan securitization fund in France. In the same month, Linklaters represented French entities of the London and Cambridge Properties Group and of the Ringmerit Group, on two parallel CMBS transactions arranged by HSBC and Société Générale, worth £310 million (€446 million) and €380 million.

“Philippe Herbelin has really come into his own and developed a strong reputation,” said a rival lawyer. His equity capital markets team has had a good year too, advising on various IPOs including those by Gaz de France (€4.5 billion), CeGeReal, and Legrand's pending flotation. In October 2005, the firm advised Casino Guichard-Perrachon on the spin-off and Euronext listing of Mercalys, employing the new SIIC real estate tax regime. Finally, the firm represented the underwriters in the part-privatization of Aéroports de Paris, a company valued at €4.3 billion. The over-subscribed IPO was made possible by a new piece of legislation passed in April 2005.

#### Leading lawyer – equity

Philippe Herbelin

#### Key contact partners

Gilles Endréo  
Philippe Herbelin

#### Leading lawyer – debt

Gilles Endréo

#### Lovells

Lovells has a combined capital markets practice group with 10 associates and three partners, following the arrival of Jean-Norbert Pontier from Sidley Austin in October 2005. He joins Philip Boys and Sharon Lewis, the latter of who is considered to be one of France's leading structured finance specialists.

Lewis's expertise was put to the test in November 2005 with a highly innovative deal to complete the first securitization of motor insurance risk portfolios. Together with Susan Hopkins, she advised Axa on the €1.8 million structure, whose success is indicated by the fact that it was also the first insurance securitization to be granted a triple-A credit rating on a standalone basis. Sharon Lewis has also recently acted for Xerox on the refinancing of a portfolio of leasing contracts in a deal worth €420 million.

#### Leading lawyer

Sharon Lewis

#### Key contact partners

Philip Boys  
Sharon Lewis  
Jean-Norbert Pontier

#### Orrick Rambaud Martel

Orrick Rambaud Martel has continued to be active in all aspects of capital markets work this year, advising Renault on a €7 billion EMTN issue in Luxembourg, followed by acting on a similar €3 billion transaction on behalf of EADS. In April 2006, the firm acted for Calyon in relation to a €300 million programme of fixed-rate notes.

The firm has imported its successful brand of securitization to its Paris office, advising on a number of structured deals such as the refinancing of the Proudreed Group's debt through a securitization structure worth €200 million. Klöckner Distribution also turned to Orrick for advice concerning a cross-border securitization involving multiple assigners, valued at €520 million. At the time of writing the firm was advising a European subsidiary on the securitization of a portfolio of automobile loans, for the acquisition of new and second-hand vehicles. The €1.6 billion deal is due to be completed in October 2006.

Orrick also had two key equity deals in progress at the time of writing. The larger is the sale by Liberty Global of all of UPC France's €1.25 billion share capital to Cinven and Altice. Also in the TMT sector, the firm is acting for Telecom Italia as it disposes of a European subsidiary with a value of over €300 million. Earlier in the year, Orrick advised Nexgen Capital and Ixis Cib on Lagardère's partial withdrawal from EADS's share capital.

Orrick's merger with Rambaud Martel should benefit both firms, giving Orrick access to Rambaud Martel's enviable list of local corporate clients and giving Rambaud Martel expertise in areas of financial law that it did not really have before the merger.

#### Key contact partner

Pascal Agboyibor

#### Shearman & Sterling

Shearman & Sterling is a good all-round choice for capital markets advice, with a combined practice encompassing the talents of Robert Treuhold and Hervé Letrégouilly, as well as three additional partners, two European counsel and 21 associates.

Both Treuhold and Letrégouilly led a team acting as US, French and Italian counsel to STMicroelectronics, a Dutch company, in a \$974 million (€761 million) offering of zero-coupon senior convertible bonds. They also advised the group in relation

to a complementary offering of €500 million floating rate senior bonds. Another key debt deal was Usinor's buyback of \$300 million (€234 million) bonds. Usinor – Shearman's client – is a French subsidiary of the Luxembourgian steel producer Arcelor. Finally, Letréguilly's team was French, UK and US counsel to Morgan Stanley in its capacity as underwriter in CompleTel Europe's simultaneous international private offering and high-yield note issue, in a deal worth €120 million.

Shearman & Sterling has been equally busy on the equity side, acting for EDF in relation to its €6.35 billion IPO and partial privatization. The transaction included a retail offering in France, an international private placement, including a 144A offering in the US, and a listing on Euronext, as well as a €1.1 billion employee offering.

Another noteworthy IPO was Shearman's role advising Eutelsat on its €860 million flotation on Euronext. The deal was a follow-up to Eutelsat's complex recapitalization, in which the firm advised Eutelsat Communications, the holding company, as well as Eurazeo, the majority shareholder. The transaction involved €1.63 billion senior and €475 million second lien facilities, and a €300 million PIK loan. Among the firm's share issue highlights, meanwhile, were France Télécom's €3 billion capital increase and Rhodia's €604 million offering with a preferential subscription right for existing shareholders.

#### Leading lawyers – equity

Hervé Letréguilly  
Sami Toutounji  
Robert Treuhold

#### Key contact partners

Hervé Letréguilly  
Manuel Orillac  
Sami Toutounji  
Robert Treuhold  
Bertrand Sénéchal

### Skadden Arps Slate Meagher & Flom

Skadden has a broad practice, but equity transactions are the firm's strong suit. For example, it recently advised ING and Bryan Garnier, acting as underwriters, in the €30 million IPO of BioAlliance Pharma. Another significant IPO involving the firm was that of the Saft, an industrial battery manufacturer. Skadden advised Doughty Hanson, the majority shareholder in the group.

HSBC-CCF instructed the firm in connection with the Orpea Group's disposal of its 28.4% stake in Medidep for €106 million. The transaction was achieved through a private placement with institutional investors in France, the US and other jurisdictions.

Finally, Skadden advised SCOR in relation to its issue of 130 million new shares with a total value of €203 million. The purpose of the offering was to refinance the company's acquisition of a minority interest in IRP Holdings, and was the first such deal in France to apply new legislation on capital increases.

Pierre Servan-Schreiber is the firm's big name in corporate law: "He's a very imaginative lawyer. He can come up with some creative solutions," said a client.

#### Leading lawyer – equity

Pierre Servan-Schreiber

#### Key contact partner

Pierre Servan-Schreiber

### Sullivan & Cromwell

Sullivan & Cromwell's capital markets group is almost entirely equity-focused, and is headed by the universally admired Richard Vilanova. The corporate team is already large, and the promotion

of Olivier de Vilmorin to partner brings the total number of partners to eight, three of whom are US-qualified.

This year's standout deals include the IPO and privatization of EDF. Five of Sullivan & Cromwell's partners advised Calyon, Morgan Stanley, ABN Amro and BNP Paribas as underwriters of the deal, providing both French and US counsel. This was followed by the €860 million flotation of the satellite infrastructure company Eutelsat, in which the firm represented another consortium of banks, including Goldman Sachs, Deutsche Bank, Lehman Brothers, Merrill Lynch and Morgan Stanley. The firm appeared opposite Shearman & Sterling in both deals.

In May 2006, Vilanova teamed up with Richard Asthalter to offer advice on the spin-off and IPO of Arkema, raising €1.1 billion. The transaction also included the issue of American Depositary Receipts (ADRs). Flotations aside, the firm recently advised the underwriters of a €1 billion share offering by Metrovacesa to its existing base of shareholders.

#### Leading lawyer – equity

Richard Vilanova

#### Key contact partners

Nikolaos Andronikos  
Richard Asthalter  
Gauthier Blanluet  
Dominique Bompont  
Richard Vilanova  
Olivier de Vilmorin

### White & Case

White & Case's capital markets department is headed by Vincent Morin, and features in connection with many of the firm's high-profile deals. In December 2005, the firm closed a two-part transaction in which it advised Advent International on Dufry's €660 million takeover of Aldeasa, followed by Dufry's listing on the Zurich stock exchange. The IPO was valued at CHF1.16 billion (€740 million). The firm also completed a stock market flotation for Icade, a French property developer under majority state ownership, worth €710 million in shares.

#### Key contact partner

Vincent Morin

### Willkie Farr & Gallagher

Laurent Faugérolas leads Willkie's capital markets activities, which include the IPO of Vectrane on Euronext in December, comprising a €51 million share issue. The firm also advises companies in relation to debt issues – this year Schneider Electric used the firm's counsel in connection with the issue of €1.5 billion notes. The firm's other recent clients include Compagnie Générale de Géophysique and Maurel & Prom.

#### Leading lawyer – equity

Laurent Faugérolas

#### Key contact partners

Laurent Faugérolas  
Daniel Hurstel  
Stéphane Sabatier

## Insolvency and restructuring

### Recommended firms

#### Tier 1

Gide Loyrette Nouel  
 Poulain & Associés  
 Santoni Paccioni & Associés  
 Sonier & Associés  
 Weil Gotshal & Manges

#### Tier 2

Bernard Lagarde  
 De Pardieu Brocas Maffei  
 Freshfields Bruckhaus Deringer  
 Linklaters  
 Saigne Sigrist & Associés  
 Salans  
 White & Case

#### Tier 3

Allen & Overy  
 Clifford Chance  
 Fauvet La Giraudière & Associés  
 Fried Frank Harris Shriver & Jacobson  
 Jeantet Associés  
 Latham & Watkins  
 Paul Hastings Janofsky & Walker  
 Proskauer Rose  
 Vatie & Associés  
 Veil Jourde  
 Willkie Farr & Gallagher

The insolvency market is unanimous in its admiration for Gabriel Sonier. One leading competitor said: "By definition, he knows every creditor's lawyers by heart, because he fights them all the time." But his practice, described by another lawyer as "a very niche firm and very active in this field", has undergone its own piece of restructuring – **Sonier Poulain & Associés** has announced it is reverting to its former state as two separate firms, **Sonier & Associés** and **Poulain & Associés**. Furthermore, Poulain has announced that it has formed an exclusive alliance with **Denton Wilde Sapte** to boost its international reach. It is too soon to gauge the effect of this on the market, but there are other pretenders to the throne.

For example, Marc Santoni of **Santoni Paccioni & Associés** is among the best-known names in the market, and receives regular referrals from **Allen & Overy** for insolvency matters. "Marc Santoni should definitely be in the top league," said a rival. The firm is involved in most proceedings, with clients including Actis, Locatel, Air Horizons, Daum and Photo Service. "Santoni has a very strong reputation," said another lawyer, adding, "I know that the clients are very happy when they work with him."

**Gide Loyrette Nouel** also has a top practitioner in Olivier Puech. "He is a really, good, sound, extraordinary, down-to-earth lawyer. Even on purpose, he never gets upset," said a competitor. In November 2005, **Weil Gotshal & Manges** poached Jean-Dominique Daudier de Cassini, "a very good, solid professional", from **Willkie Farr & Gallagher**. "Dominique is the only one in our little group who is at the same time a lawyer and an engineer," said a leading lawyer. Some see the move as a coup for the firm, which enters the market this year in the top tier.

**Willkie Farr & Gallagher** is left with two partners, Alexandra Bigot and Patricia Le Marchand. Bigot represented CVC Capital Partners, the main shareholders in Jallatte Almar, in an out-of-court workout regarding the restructuring of the footwear company. This was followed by the reorganization of Manoir Industries. She is also acting for Goldman Sachs in relation to the restructuring of Eurotunnel's £6.3 billion (€9.2 billion) debt. In July, Le Marchand advised Régis Valliot, the receiver, on a judicial sale plan for Valiance Fiduciaire, owned by Securitas.

**Fried Frank Harris Shriver & Jacobson** made a slightly less conspicuous debut in the market with the hire of David Chijner and Maurice Lantourne, who joined the firm in June following an exclusive referral agreement. Lantourne's assertive style has won admirers: "He's now a real player," said a competitor. Chijner recently led a team advising the acquirers, Hoche Financement, in relation to the beleaguered Royal Monceau Group. The case involved *plans de continuation* (a strategy involving debt rescheduling) for many of the company's subsidiaries, and was one of the most visible restructuring cases in France. Chijner was also involved in the restructuring of Eurotunnel, MatlinPatterson's acquisition of Matussière & Forest out of insolvency, and SISU Capital's sponsorship of a *plan de continuation* for Gantois, the largest of its kind in 2005.

**Bernard Lagarde** is a sole practitioner, working primarily with liquidators and receivers, with whom he has close links. "He is very well connected in the French market," said a rival lawyer. The presence of Jacques Henrot brings **De Pardieu Brocas Maffei** into the second tier. Henrot has built a good reputation in insolvency and restructuring law from strong links with banks and a well established real estate practice. His advice to lenders includes representing the second largest lender in the restructuring of Eurotunnel, and acting for Wallenius Wilhelmsen Lines in the debt restructuring of Global Automotive Logistics (GAL). He is also advising BlueBay, an investment fund, in connection with both the reorganizations of Photo Service and of Infogrames, in which matter he is also representing Bank of America. De Pardieu Brocas Maffei works with non-lenders including ACR Logistics and LG Electronics.

The insolvency and restructuring team at **Freshfields Bruckhaus Deringer** is a relative newcomer, but under the auspices of Philippe Hameau it has developed into one of the country's leading departments; "Freshfields is making an incredible entry," said one market observer. The firm acted for DMC in connection with its financial restructuring, and recently completed the €300 million restructuring of GAL. Other clients include UBS Private Equity and *administrateurs judiciaires* Régis Valliot and Didier Segard.

**Salans** took on Michel Jockey, a leading figure in crisis management, following the dissolution of Rambaud Martel. The nine-lawyer team advised the Matussière Group in several aspects of its sale to MatlinPatterson, a private equity fund specializing in distressed takeovers. The deal included debt renegotiation, a buy-out plan, recapitalization and purchase of the remaining shares in Matussière, and was valued at €55 million. Salans has also recently advised Moulin Rouge and the Vinci Group in relation to distressed acquisitions, and produced debt restructuring plans on behalf of Gyma (€30 million) and ST Dupont.

Two other Rambaud Martel partners, Valérie Lafarge-Sarkozy and Guillaume Kellner, were picked up by **Proskauer Rose**, which enter the rankings this year after positive recommendations from peers and clients. The firm is working with a leading

French financial institution on a novel collective bargaining case. The client is acting as creditor, controller and former syndicate lead manager in the Tribunal de Commerce's largest corporate insolvency of the past decade, with a value equivalent to about €1.4 billion. Proskauer's client list includes Bull, HIP Interactive Corporation, Banque Nationale de Paris Internationale (BNPI) and Intermarché.

**Linklaters** enlisted Aymar de Mauléon de Bruyères and Cécile Dupoux from Sonier Poulain & Associés in April. The firm won a role advising an *ad hoc* committee of creditors in the restructuring of Eurotunnel, having already acted in relation to the company's restructuring in the mid-1990s and a further refinancing in 2002. It is also acting as local counsel for senior lenders on the multi-phase restructuring of the Du Fort group's senior and mezzanine debt.

**Latham & Watkins** has experience advising financial institutions and distressed companies in insolvency cases. Recent highlights include acting for creditors in bankruptcy proceedings against Metaleurop, a company with a €300 million turnover. It also represented the former management of the KPNQwest's French subsidiaries on proceedings to retrieve more than €1 billion euros of pre-petition debt. Non-bankruptcy work, meanwhile, included advising ING Bank on the restructuring of Immobilière Hotelière, and working on the restructuring of textile company Dollfus Mieg & Cie by Goldman Sachs and WestLB.

**Paul Hastings Janofsky & Walker** has conducted numerous liability investigations and other bankruptcy actions this year. Among them are matters relating to the insolvency of père.noël.fr and Gespac. In an action brought by 300 shareholders, the firm represented a statutory auditor in relation to its civil professional liability in the bankruptcy of the VEV-Prouvost Group. Ex-Moquet Borde lawyer Dominique Borde litigated in this and several other commercial cases.

Finally, **Vatier & Associés** comprises Bernard Vatier and two associates. The insolvency boutique commonly acts for receivers, and has acted for clients including Air Lib, LG Philips, MNEF and Stardust Marine.

## Mergers and acquisitions

### Recommended firms

#### Tier 1

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

#### Tier 2

Gide Loyrette Nouel  
Skadden Arps Slate Meagher & Flom  
Sullivan & Cromwell

#### Tier 3

Ashurst  
Clifford Chance  
Freshfields Bruckhaus Deringer  
Orrick Rambaud Martel  
Weil Gotshal & Manges  
White & Case  
Willkie Farr & Gallagher

#### Tier 4

Allen & Overy  
Brandford-Griffith Baverez Pasturel  
De Pardieu Brocas Maffei  
Debevoise & Plimpton  
Jeantet Associés  
Latham & Watkins  
Shearman & Sterling

#### Tier 5

Jones Day  
Lovells  
Mayer Brown Rowe & Maw  
Salans  
Veil Jourde La Garanderie

#### Tier 6

August & Debouzy  
Baker & McKenzie  
CMS Bureau Francis Lefebvre  
Davis Polk & Wardwell  
Franklin  
Fried Frank Harris Shriver & Jacobson  
Herbert Smith  
Norton Rose  
Paul Hastings Janofsky & Walker  
Proskauer Rose  
Simmons & Simmons  
Sokolow Carreras & Associés

### Bredin Prat

Along with local running mate Darrois Villey Maillot Brochier, Bredin Prat is synonymous with "the big, fancy, sexy deals". In Bredin Prat's case, this meant advising Suez on its proposed €40 billion acquisition of Gaz de France. The on-off merger, due to be completed by the end of the year, has thrown up competition law issues and attracted worldwide press attention. Another blockbuster deal is Mittal Steel's hostile takeover of Arcelor.

Didier Martin and Patrick Dziejowski are advising the target in the transaction, valued at €25.8 billion.

Bredin Prat's corporate department was strengthened this year as it picked up the lion's share of practitioners from Slaughter and May's now defunct Paris office. The influx comprised 13 associates and two partners. Much of the balance has shifted from Jean-François Prat to Patrick Dziejowski, though the "very competitive" Sebastián Prat has inherited some of his father's influence. Olivier Assant is also often cited as an up-and-coming partner at the firm.

Dziejowski is acting for Natexis Banques Populaires as it acquires Ixis Asset Management and Ixis Corporate and Investment Bank. The two subsidiaries of Caisse d'Épargne will be divested in a deal worth €20 billion, announced in June. And when Eiffage and MacQuarie joined forces to buy out Autoroutes Paris-Rhin-Rhône (APRR) in May, Dziejowski's team, incorporating some of the firm's top names in competition and tax law, advised the purchasers in the €7.37 billion transaction.

The firm's prestigious corporate client list also includes Crédit Agricole, Snecma, Eurazeo and Lagardère.

#### Leading lawyers

Patrick Dziejowski  
Didier Martin  
Jean-François Prat

#### Key contact partners

Elena Baxter  
Didier Martin  
Jean-François Prat

### Cleary Gottlieb Steen & Hamilton

"There used to be the untouchable citadel of public M&A, which is no longer the case," said one commentator. Bredin Prat and Darrois Villey Maillot Brochier are the traditional bastions of the French corporate market, and have long held their competitors at bay. But these days they are finding themselves surrounded by an ambitious group of contenders in the private equity market, which is threatening to depose public M&A as Paris' main attraction.

Among the assailants is Cleary Gottlieb Steen & Hamilton. The firm has a conspicuous private equity practice spearheaded by Jean-Marie Ambrosi, a well respected specialist in the field. In the past 12 months, the team has advised shareholders in relation to the leveraged recapitalizations of OGF and Eutelsat, valued at €280 million and €2.4 billion respectively. It also acted for the seller, BC Partners, in its €300 million divestiture of Polyconcept to Investcorp.

"Pierre-Yves Chabert is a very visible guy," said a rival, and many see him as the star of the firm's corporate activity. In November 2005 he led a team advising Areva as it sold Framatome Connectors International to Bain Capital in a deal with an enterprise value in excess of €1 billion. Chabert also took the lead in acting as counsel to BNP Paribas, which made a combined €2.2 billion debt and equity investment in the Galeries Lafayette Group and a related tender offer for shares in the retail business.

Among other highlights, the firm is representing Mittal Steel in its takeover of Arcelor. The deal would combine the world's two largest steel producers, and resistance by the target company has so far driven the offer as high as €25.8 billion.

#### Leading lawyers

Jean-Marie Ambrosi  
Pierre-Yves Chabert  
François Jonemann

#### Key contact partners

Jean-Marie Ambrosi  
Pierre-Yves Chabert  
François Jonemann  
Valérie Lemaitre

### Linklaters

"Linklaters has a fantastic team and now has the recognition of the market, both on the corporate and banking sides," said a competitor. Market observers commend the firm's balanced range of activities, and there are some of France's leading corporate lawyers at the firm. In particular, Thierry Vassogne and "superb practitioner" Michel Friehe come in for praise, but their combination of a highly competent supporting team of 12 partners and 41 associates is enough to secure the firm a place in the top tier.

It has won roles on many high-profile private equity and LBO transactions. The most recent focal deals include Axa Private Equity's purchase of an 85.45% in TLD, a producer of airport equipment, Bridgepoint Capital's LBO of information company Groupe Moniteur, and Wendel Investissement's acquisition of the Deutsch Group.

Linklaters' conventional M&A deals include acting for ING Bank during its disposal of its personal banking activities, comprising assets worth €2.7 billion, to Barclays. The cosmetics group L'Oréal also used the firm's services in connection with its €652 million cash offer for UK rival The Body Shop, in a deal combining the firm's Paris and London expertise.

Linklaters already has a series of prestigious M&A work in the pipeline, including the proposed mergers of Groupe Caisses d'Épargne and Groupe des Banques Populaires, and of Deutsche Börse and Euronext.

#### Leading lawyers

Michel Friehe  
Thierry Vassogne

#### Key contact partners

Michel Friehe  
Thierry Vassogne

### Gide Loyrette Nouel

Gide Loyrette Nouel kick-started 2006 by closing a €39.5 billion transaction with the French state to privatize the country's motorway operators. The offer, comprising APRR, Autoroutes du Sud de la France (ADF) and Sanef, was carved up among Vinci, Macquarie-Eiffage and Abertis. The deal was led by Emmanuel Skovron, who also advised La Poste on the creation of a banking subsidiary, La Banque Postale.

Skovron, Antoine Bonnasse and Youssef Djehane are the firm's leading M&A names: "Together they top the league tables here in Paris," commented one lawyer. Besides his part in the motorway deal, Bonnasse is being instructed by the oil and gas company Total in connection with the double spin-off of its chemicals business to Arkema. Djehane is advising the Canal+ Group on the integration of partner company Lagardère as a stakeholder in Canal+ France. The deal, pending completion at the time of writing, is valued at €7.5 billion.

#### Leading lawyers

Antoine Bonnasse  
Youssef Djehane  
Didier Martin  
Jean-Emmanuel Skovron

#### Key contact partners

Christophe Eck  
Serge Tatar

### Skadden Arps Slate Meagher & Flom

Skadden has had a steady presence in Paris for some time but this year the firm has shown signs of really coming into its own. The M&A group, led by Pierre Servan-Schreiber, raised eyebrows by snapping up the role of lead counsel to Arcelor in its fiercely contested takeover by Mittal Steel. It also advised Alcatel in relation

to a merger with Lucent Technologies, a rival telecommunications company, in a deal worth \$13.4 billion (€10.5 billion).

In 2005 the firm represented Morgan Stanley and Fournier Pharma in deals in excess of €500 million, and advised Quiksilver in its \$318 million (€249 million) acquisition of Rossignol, a French manufacturer of winter sports equipment. Other key deals involving Skadden's Paris lawyers include Toshiba's planned \$5 billion (€3.93 billion) acquisition of Westinghouse Electric Company from British Nuclear Fuels, and the purchase by Yahoo! of 30% percent stakes in Yahoo! UK, Yahoo! Germany and Yahoo! France from Softbank Holdings. The firm is acting for Yahoo! in further acquisitions from Softbank in Japan and Korea. The deals have a combined valued of about \$500 million (€393 million).

Although the team is small, consisting of just four partners and six associates, many market observers believe its recent performance is a sign of its maturation.

#### Key contact partners

Christopher Baker  
Laurent Cohen-Tanugi  
Armand Grumberg  
Pierre Servan-Schreiber

#### Sullivan & Cromwell

Sullivan & Cromwell's Paris office has received a great deal of work through referrals from the New York headquarters over the past year. "They are radically gearing up their practice," said a competitor, a view backed up by the firm's raft of multi-billion-euro deals in the past year. Among them, Dominique Bompont joined the firm's "ageing star" Gérard Mazet in acting for the financial advisors to Metrovacesa, a Spanish real estate business, in its €8.37 billion purchase of Gecina.

Bompont, rightly seen by many as Mazet's successor, took the lead on Abertis' acquisition of Sanef, a motorway operator, from the French state for €5.3 billion. He is also advising Goldman Sachs in relation to the merger between Alcatel and Lucent. "Bompont is an outstanding person from a technical viewpoint," said a rival. At the time of writing, Sullivan & Cromwell was providing counsel to Axa Re, which is the target of a takeover bid by a consortium of private equity houses led by Stone Point Capital.

#### Leading lawyers

Gauthier Blanluet  
Dominique Bompont

#### Key contact partners

Gauthier Blanluet  
Dominique Bompont  
Gérard Mazet  
William Torchiana  
Olivier de Vilmorin

#### Ashurst

Though it is primarily a banking firm, Ashurst offers a competent M&A practice, and is starting to pick up momentum in the €1 billion-plus market. The firm advised a consortium made up of Cintra, Borealis IM, Ontario Teachers and Caja Madrid on their unsuccessful €8.5 billion bid for APRR and Sanef. Smith & Nephew approached the firm in connection with its disposal of BSN Medical to Montagu Private Equity for €1.03 billion; the firm was also instructed by Financière Photo Europe and Cinven on the sale of the photo-finishing company for an undisclosed sum.

In addition, Ashurst has a wide base of clients in the private equity sector. This year, it advised Stone Point Capital on its complex acquisition of Axa Re, a French reinsurance company. In March, it acted for Charterhouse in the sale to LBO France of Cegelec, a deal which was brokered over a single weekend. In the same month, Charterhouse and Chequers Capital instructed the firm with regards to Holding Bercy Investissement's €1.8 billion bid for Elior.

"The service we receive is really all-encompassing. They don't waste our time, and they draw attention to the things that are relevant to us," said a client in the private equity sector. He added: "They are one of the few non-French firms that truly have local knowledge."

#### Key contact partners

Guy Benda  
Bertrand Delaunay  
Frédéric Pinet

#### Clifford Chance

One commentator described Clifford Chance as "a bit of a mystery" – its M&A department is undoubtedly large, but is perceived as not being seen on as many of the jurisdiction's weightier deals as some of its rivals. The firm challenged this reputation in February, however, as it landed a role in advising Macquarie and Eiffage in their joint acquisition of APRR for €6.9 billion.

Nonetheless, Clifford Chance continues to be busy. It advised Colony Capital on its investment (via €1 billion convertible bonds) in Groupe Accor, as well as its €320 million acquisition of Buffalo Grill. Among the firm's other larger transactions was Apax's sale of FransBonhomme for €900 million, though it has also been involved this year in a number of other medium-sized deals such as Carrefour's acquisition of a 50% stake (€180 million) in Hofidis II, the holding company that controls Hyparol, a French supermarket chain.

The firm's corporate team includes several notable lawyers, including Thierry Schoen, Marcus Billam and Frédéric Peltier.

#### Leading lawyers

Marcus Billam  
Frédéric Peltier  
Thierry Schoen

#### Key contact partners

Marcus Billam  
Frédéric Peltier  
Thierry Schoen

#### Freshfields Bruckhaus Deringer

Arnaud Pérès, the head of the firm's M&A practice, defected to Davis Polk & Wardwell in July 2005, leaving Freshfields Bruckhaus Deringer's market position open to some question. However, the firm's French practice still has eight M&A partners, including the internally appointed Fabrice Cohen, and any perceived blip is likely to only be temporary and minor.

Cohen has taken part in a series of public and private M&A transactions, including Caixa's €234 million disposal of CaixaBank to Boursorama, a subsidiary of the Société Générale Group, and Caixa's subsequent acquisition of a 19.9% stake in Bourorama's share capital. She also worked with Antoine Vignial, the new head of the department, to advise Spanish property group Realia on its €590 million takeover of SIIC de Paris.

Freshfields Bruckhaus Deringer's recent activities in the private equity arena include three deals for Cinven: the leveraged recapitalization of Eutelsat, and the acquisitions of Frans

Bonhomme and Amadeus. The transactions had a combined value of €7.3 billion.

#### Leading lawyers

Patrick Bonvarlet  
Jean-Claude Cotoni

#### Key contact partner

Antoine Vignial

### Orrick Rambaud Martel

US firm Orrick Herrington & Sutcliffe stormed into the Paris M&A market at the beginning of 2006 with a spectacular takeover of Rambaud Martel, taking on corporate pin-up Jean-Pierre Martel along with 11 other partners.

“Martel has been one of the top lawyers in M&A for many, many years,” said a rival lawyer, and his dominance of the market continues into 2006. So far this year, he has led a team of four partners advising Ixis Corporate & Investment Bank on Lagardère’s sale of part of its stake in EADS, and personally advised Holding Bercy Investissement (HBI) on its bid for Elior, a company in the food services industry. He also teamed up with Fabrice Patrizio to deliver advice to Groupe Marne et Champagne and Société des Champagnes Giesler on their disposal of Lanson International.

The team’s other key deals of the past 12 months include Vinci’s €6.2 billion acquisition of a controlling stake in Autoroutes du Sud de la France, and the merger of homeopathy businesses Dolisos and Boiron, in which Martel acted for the parent company, Pierre Fabre.

#### Leading lawyer

Jean-Pierre Martel

#### Key contact partners

Jean-Michel Leprêtre  
Jean-Pierre Martel

### White & Case

The peak of White & Case’s year in the corporate field was advising Starwood, a US real estate investment firm, on its €2.6 billion acquisition of Taittinger and Société du Louvre. This was followed in August 2005 by LBO France’s €860 million purchase of Terreal, a terracotta tile manufacturer. The firm advised the target, which was previously bought by Eurazeo and the Carlyle Group as a €515 million joint venture in 2003. Also in August 2005, Industri Kapital instructed White & Case on its acquisition of Bona Sabla from Axa Private Equity and other shareholders for €235 million, following Bona Sabla’s €250 million acquisition of Consolis.

Other notable takeovers include Ferroatlantica’s acquisition of Pechiney Electrometallurgie, the French subsidiary of Pechiney, and advising Société Générale in relation to several purchases, including Delta Credit, a 10% stake in Rosbank, and a Scandinavian car leasing business.

#### Leading lawyer

Gilles Peigney

#### Key contact partners

François Leloup  
Vincent Morin  
Philippe Sarrailhé

### Willkie Farr & Gallagher

Willkie Farr & Gallagher’s corporate department contains 27 lawyers. “They have a very good reputation in private equity,” said a competitor. This reputation is upheld by Daniel Payan, whose activities in the private equity sector this year include advising BC Partners in connection with its joint purchase of

Amadeus with Cinven, with a value of €4.34 billion. Another highlight was the €1 billion acquisition of Amec Spie by PAI, whom Payan also advised on its purchase of Sydsvenska Kemi.

Daniel Hurstel also provided advice to APRR on two deals, the first being a concession by its subsidiary AREA for the construction, maintenance and use of the A41 motorway. The concession was made to Adelaç and Bouygues Telecom, as well as subsidiaries of the Bouygues Group, and valued at €940 million. This was followed in December 2005 by the sale of a 70% controlling stake in APRR to a joint venture between Eiffage and Macquarie.

#### Leading lawyer

Daniel Payan

#### Key contact partners

Laurent Faugérolas  
Daniel Hurstel  
Daniel Payan

### Other notable firms

Allen & Overy has been involved in a few of France’s key M&A transactions – not least the €4 billion privatization of Sanef, in which it advised the target. Recent deals with Allen & Overy on the buyer side include Ipsos’ acquisition of the UK market research business Mori for €129 million, followed in March by Towerbrook Capital Partners’ 67% buyout of GSE on the private market. In April, Boursorama and Société Générale completed a deal, using the firm’s counsel, to acquire CaixaBank for €234 million. Edouard Didier, the office’s managing partner, is involved in its corporate work, along with three other partners.

The superior position of De Pardieu Brocas Maffei in the Paris property market makes a big contribution to its reputation as a corporate firm. Its latest work in the sector includes acting for Foncière des Murs in acquiring two portfolios. The first, completed in June 2005, comprised 128 hotels operated by Accor, and had a value of €1 billion. The second involved 64 spas and hotels in France and Belgium, worth €580 million. The firm has also been called upon by clients in other industries, such as Pernod Ricard in connection with its €950 million deal to acquire the French subsidiaries of Allied Domecq. Wendel Investissement instructed the firm both on its sale of Wheelabrator Allevar to LBO France for more than €400 million and its proposed €2 billion takeover of Taittinger.

At least one competitor has **Debevoise & Plimpton** “on watch” after roles on a string of blockbusters that could propel it into the higher reaches of the market. In July, the firm’s Paris office acted for Pernod Ricard in French aspects of its \$14 billion (€11 billion) merger with Allied Domecq, and also landed a role advising Axa and its main shareholder, Finaxa, in the two companies’ €5 billion merger. Gaz de France has consulted the firm on its €70 billion merger project with Suez, and Arcelor sought the firm’s counsel on its defence of Mittal’s hostile takeover bid.

Latham & Watkins is back on the rise, and ex-Ashurst buy-out magnet Thomas Forschbach has become the firm’s corporate engine. He led teams acting for Citigroup and Euro Hypo in relation to Starwood’s €2.8 billion takeover of Taittinger, Wendel Investissement in its €2 billion acquisition of Materis, and Bain Capital in the acquisition of electrical company FCI, worth €1.07 billion. The firm’s M&A department sees a high volume of deals, and comprises 36 lawyers.

US firm Paul Hastings Janofsky & Walker appears mainly in deals with values of about €100 million or below, but occasionally lands a role on big-ticket work. Last year’s most notable

examples were its role representing Gecina in its €8.4 billion takeover by Metrovacesa, and advising Sanofi in relation to Sanofi Synthelabo's €60 billion hostile takeover of Aventis. 2006 has not yet brought an equivalent, but the firm has kept busy advising private equity houses such as TCR Capital, ABN Amro Capital and Crédit Agricole Private Equity on a number of buy-outs. Traditional M&A work, meanwhile, included advising Hachette Livre on its €145 million disposal of Editions Dalloz, and acting for the Adecco Group in an initial share purchase followed by a further tender offer for the €114 million share capital of Altedia.

Another US firm continuing to make waves is **Shearman & Sterling**. Cyrille Niedzielski heads its M&A group, which has had a promising start to 2006, exploiting the firm's international links to good effect. In cooperation with the firm's New York office, Niedzielski advised Novartis in relation to its €220 million sale of Nutrition & Santé to ABN Amro Capital France. Shearman's São Paulo practice also linked up with Paris to represent Société Générale and Tecnicredito in their joint purchase of Banco Pecunia. Closer to home, the firm's domestic mandates included the disposal of Paris Saint-Germain to an investment consortium by Groupe Canal+, and its role as counsel to Thales in relation to its purchase of Alcatel's satellite and security systems business.

**Lovells** has acted for Astorg Partners in a few medium-sized M&A deals lately. The first and largest, in March 2006, saw the French investment house combine forces with ABN Amro Capital France to perform a management buyout of Omnium Français Industriel et Commercial, a French roofing manufacturer. The firm advised on two further €140 million divestitures by Astorg Partners in April, of Financière Impala and Régie Linge Finances respectively.

## Project finance

### Recommended firms

#### Tier 1

Clifford Chance  
Freshfields Bruckhaus Deringer  
Gide Loyrette Nouel  
Linklaters

#### Tier 2

Allen & Overy  
De Pardieu Brocas Maffei  
Herbert Smith  
Simmons & Simmons  
White & Case

#### Tier 3

Baker & McKenzie  
Cleary Gottlieb Steen & Hamilton  
Lovells  
Norton Rose  
Orrick Rambaud Martel

## Clifford Chance

Clifford Chance makes an appearance in most of the jurisdiction's large construction projects, thanks largely to David Pr at's close links with the government. He advised the French state this year on technical aspects of the awarding of motorway concessions. The three roadbuilding projects in question have a combined value of about €2.1 billion. The firm has also provided advice on rail projects, assisting the Departement du Rh one on the tender process for a contract to construct, finance and operate a railway link between Lyon and Saint-Exup ry Airport. The construction cost is estimated at €85 million. Lyon-Turin Ferroviaire also sought the firm's counsel regarding the construction of a high-speed rail link between France and Italy, and Clifford Chance provided the state-appointed company with a comparison between public-lead and a public-private partnership (PPP) structures. The project has been estimated at €6.7 billion and is due to be operational in 2015.

The firm has been selected by a consortium comprising Alcatel, Finmeccanica and Aena-Hispasat to advise on several aspects of the tender process of the Galileo satellite positioning system. The development phase of the project has been valued at €3 billion. Another consortium, consisting of ABN Amro as lender and sponsor, and Bouygues as sponsor, sought the firm's advice in its bid for the awarding of a design-build-finance-operate (DBFO) contract for a public hospital in Caen. In September, the consortium was named preferred bidder for the deal, worth €90 million.

Clifford Chance's French projects outfit attracts interest for its role in construction projects in developing countries too. Recently, for example, it has advised MCC and SACE on a \$730 million (€571 million) steel mill project in Russia, and the Arab Banking Corporation on the development and financing of a five-star hotel in Egypt. Another recent deal saw the firm representing a multilateral lender, various depository financial institutions, export credit agencies and banks in connection with a \$1.3 billion (€1.02 billion) mobile telecommunications project in Turkey.

### Leading lawyers

Michael Elland-Goldsmith  
Anthony Giustini  
David Pr at

### Key contact partners

Michael Elland-Goldsmith  
Anthony Giustini  
David Pr at

## Freshfields Bruckhaus Deringer

Respondents were keen to see Freshfields Bruckhaus Deringer in the top tier, despite Thomas Hechl's recent defection to DLA Weiss-Tessbach to head up the firm's project finance group in central and eastern Europe. Freshfields retains Thierry Laloum and motorways expert Jean L'Homme, as well as the increasingly familiar name of Amir Jahanghiri.

The firm has taken part in an enviable list of transactions, such as the €940 million financing of the A41 motorway project between Villey and St Julien, France's first ever bank debt-financed PPP in road building. L'Homme, Laloum, Jahanghiri and Jean-Marc Allix advised a consortium of Calyon, HSBC and RBS as mandated lead arrangers. The firm also had a role in the DBFO contract for a hospital construction in Caen.

Like several of its competitors, Freshfields Bruckhaus Deringer's project finance expertise stretches beyond the French border, with an active presence in the Middle East. This year, the firm provided advice to the Tangier Mediterranean Special

Agency with regard to the construction of a second container terminal at the Tangier Mediterranean Seaport, a deal valued at €310 million. The firm also acted for the government of Bahrain in relation to the €1.3 billion Al-Hidd water and power plant.

#### Leading lawyers

Thierry Laloum  
Jean L'Homme

#### Key contact partners

Amir Jahanguiri  
Thierry Laloum  
Jean L'Homme

### Gide Loyrette Nouel

Gide has continued its activity in African and Middle Eastern infrastructure projects with advice to the government of Ghana and the World Bank relating to a water distribution contract, finally awarded to a South African and Dutch consortium. The Ghanaian government was not the only state organization to approach the firm – the General Authority of Civil Aviation in Saudi Arabia is receiving advice on the construction of a new terminal at King Abdul Aziz International Airport. The new terminal, erected through a PPP on a build-transfer-operate basis, will serve Mecca pilgrimage passengers.

Closer to home, the firm is involved in a pioneering project in France involving the first prisons constructed via a PPP in the jurisdiction. Gide represents a consortium comprising Spie Batignolles, Gepsa (Suez Group), CDC and AXA in a bid for the €300 million contract. In the north of the country, meanwhile, Babcock & Brown, an Australian wind energy company, is developing and building three wind farms; Gide provided advice on the €40 million financing of the project.

#### Leading lawyer

Emmanuel Fontaine

#### Key contact partners

John Crothers  
Emmanuel Fontaine  
François Krotoff

### Linklaters

Linklaters has struck a rich vein of work in the booming base metals market with a number of mining and extraction projects across francophone Africa. In one standout deal, the firm recently advised the sponsors of the Groupe Ouest copper and cobalt brownfield mining project in the Democratic Republic of Congo (DRC), which required complex legal structuring to incorporate the DRC's new mining code. Linklaters also acted for the sponsor in relation to a joint iron ore extraction venture with a state-owned body in Senegal.

In the energy sector, meanwhile, the firm advised the Bank of Tokyo-Mitsubishi, the Royal Bank of Canada and BNP Paribas as arrangers of the €225 million refinancing and project financing of a portfolio of wind farms in France, the UK and Ireland. This was not the only key wind farming deal of the year – in May Linklaters completed a deal in which it advised HypoVereinsbank on the financing, through bond issues totalling €470 million, of the sale, construction and financing of five portfolios of wind farms in France and Germany. It also acted for the lead arrangers and lenders in a €1.1 billion financing of the Maritza East 1 power station, the country's largest ever foreign investment. The project was funded through a combination of equity and multi-sourced debt financing.

Linklaters also broke new ground this year, as Pakistan Mobile Communications obtained its first financing arrangement in the

international market to develop its mobile phone network. The deal was Pakistan's first multi-sourced credit financing deal in the telecoms sector since 1998.

#### Leading lawyers

Bertrand Andriani  
Paul Lignières

#### Key contact partners

Bertrand Andriani  
Paul Lignières

### Allen & Overy

Rod Cork heads up Allen & Overy's project finance division, though most work is done in cooperation with the banking and finance team, led by Tim Scales. Both lawyers took part in Algeria's largest-ever telecoms financing, advising Citigroup as global coordinator and arranger of a \$500 million (€391 million) financing programme back by export credits for Wataniya Telecom Algeria.

Another consortium, composed of Dexia Crédit Local, Banco BPI and BCP, came to the firm for advice on the financing of four wind farm projects in Portugal, with a value of €220 million.

Allen & Overy's present projects include the development and financing of a power plant at Hadjiret En Nouss, Algeria. Tim Scales and two associates are advising SNC Lavalin and Mubadala Development Company in relation to the deal. Scales is also counsel to AES-Sonel on a €440 million investment programme and the financing of a gas-fired power plant in Cameroon.

#### Leading lawyer

Rod Cork

#### Key contact partners

Rod Cork  
Adrian Mellor  
Tim Scales

### Cleary Gottlieb Steen & Hamilton

Cleary has been involved in various heavy duty deals on the west coast of Africa this year. For example, the firm was counsel to Alcoa and Alcan in negotiations with the government of the Republic of Guinea over the construction of an alumina refinery in a transaction worth \$1.7 billion (€1.33 billion). The refinery has the potential to expand to a 4.5 million ton output, which would make it the world's largest refinery of its type. It also advised Mittal Steel in connection with an iron ore mine and related infrastructure rehabilitation in Liberia, estimated at \$900 million. Mittal is also using the firm's services in Senegal, where it is conducting a similar iron ore project with a value of \$1.5 billion (€1.17 billion).

Finally, the firm is providing counsel to the government of Madagascar and the International Finance Corporation (IFC) in relation to the definition and implementation of a hydroelectric power programme in Madagascar.

#### Key contact partners

Gamal Abouali  
Russell Pollack  
Jean-Pierre Vignaud

### Orrick Rambaud Martel

Orrick's solid relationship with international banks has developed into a lively project finance practice, involved in assignments in France and abroad. This year the firm represented Calyon and a consortium of banks in an €840 million agreement, including an export credit facility, to fund the construction of two new cruise

ships. A further export credit financing involved the export to Chile of rail equipment for the extension of Santiago's underground and rail system.

Other focal deals included a series of export credit backed aircraft leases to Chinese operators. Orrick advised BNP Paribas as lessor in the transactions, which had an aggregate value of \$650 million (€508 million).

**Key contact partner**

Raphaële Courtier