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Acquisition of shares in closed-stock companies

Tomas Saulenas and Dominykas Kabasinskas
Law Firm Foresta
Vilnius

Pursuant to the provisions of Law on Joint-Stock Companies, where all or part of a closed-stock company's shares are intended to be sold, a shareholder is obliged to inform the closed-stock company about such an intention in writing by indicating the number of the shares and the price. The right of priority to acquire all shares that are being sold is vested to those shareholders that have owned the company's shares on the days of issue of the above-mentioned announcement, if not specified otherwise in the company's articles of association.

The company's managing director shall, within five days of receiving the shareholder's announcement to sell the shares, inform every shareholder about the number of shares being sold, the offered price and the term during which the shareholder can inform the company about his/her/it's intention to buy the shares. Such term shall not be shorter than 14 days and longer than 30 days after sending of company's announcement. Managing director of the closed-stock company must inform the shareholder about other shareholders' intentions to buy all of his/hers/its sold shares within a 45-day period.

Where one or more of the closed-stock company's shareholders have expressed their intention to buy all of shareholder's shares within the indicated period, the shareholder has an obligation to sell the shares to the shareholders that have expressed such intention. The shareholders that have expressed their intention to buy all the shares being sold have an obligation to buy and pay for the shares within three months of the company receiving the announcement of the share sale, if not otherwise agreed with the selling shareholder. The seller of the shares has the right to request the buyer to provide additional means securing the payment of the price of shares (bank guarantee, pledge, etc).

If the demand of the shares being sold exceeds the offer, the shares are divided proportionally between the shareholders that have expressed their intention to buy the shares according to the number of shares owned by them.

Acquisitions of shares in public joint-stock companies

It is worth noting that under the provisions of the Law on Joint-Stock Companies, a public stock company has no right to limit a shareholder's right to transfer fully paid shares to the ownership of another

person, except for when the limitation period of transfer of employee shares had not expired. However in acquisitions of a public stock company's shares, provisions of other laws should be observed.

Competition Counsel approval

Certain acquisitions of companies might require Competition Counsel approval, in cases where an acquisition falls under the definition of concentration and certain turnover thresholds are met.

Reporting to the Securities Commission

Person acting independently or collectively acting persons have an obligation to inform the Lithuanian Securities Commission and the accountable issuer within seven days about the number of votes owned where he/she/it acquires 1/20, 1/10, 1/5, 1/3, 1/2, 2/3, 3/4 or 19/20 votes of accountable issuer's general shareholders' meeting. An acquiring person shall also provide the data on securities entitling him to voting rights or to possess an issuer's securities in the future.

A person failing to fulfill the above-mentioned duty has no right (for two years) to own more votes at issuer's general shareholder's meeting than the last limit of which he/she/it had informed properly. Further, by the means of court, decisions passed during the period following the share acquisition until the provision of the correct information can be cancelled in case due to such decisions the issuer's executive officers were changed or a shareholder's property or non-property rights were infringed.

Mandatory takeovers

If a person acting independently or in concert with other persons acquires more than 40% of the votes at the shareholders' meeting of an accountable issuer established in Lithuania it shall, within 30 days, transfer the securities exceeding the above threshold, or submit a mandatory tender offer to buy the remaining securities of an accountable issuer entitling to voting rights and securities certifying the right to acquire securities entitling to voting rights.

If a person acting independently or in concert with other persons, after acquiring more than 40% of the votes at the shareholders' meeting, loses all votes at issuer's general shareholder's meeting, the voting right is regained when the mandatory tender offer is registered with the Securities Commission or when the number of votes owned reduces to 40% of the votes at the shareholder's meeting because of, among other things, a securities transfer transmission.

Squeeze-outs

A shareholder of an accountable issuer established in Lithuania acting independently or in concert with other persons after having

acquired more than 95% votes at an issuers' general shareholders' meeting, obtains the right to request all other issuer's shareholders to sell their shares. The shareholders are obliged to sell their shares as provided by the Law on the Securities Market.

Banking

Recommended firms

Tier 1

Lideika Petrauskas Valiunas ir partneriai LAWIN

Tier 2

Law Firm Bernotas & Dominas Glimstedt

Norcous & Partners

Sorainen Law Offices

Sutkiene Pilkauskas & Partners

Tier 3

Foigt & Partners/Regija Borenius

Foresta Business Law Group

Praemissa Teises Firma

Saladzius & Partners

Lideika Petrauskas Valiunas ir partneriai LAWIN

Lideika Petrauskas Valiunas ir partneriai LAWIN is considered by many market observers as being "the number one firm in Lithuania in terms of banking" and by one competitor as "a very strong firm with expert lawyers who are excellent in banking". The banking practice, headed by the "widely acclaimed" and "very highly regarded" Giedrius Stasevicius, has an impressive portfolio of domestic and international banking clients and has participated in practically all major banking and financing transactions in Lithuania during the past year.

Recent clients have included Raiffeisen Zentralbank Österreich, which the firm advised on a loan to Bank Snoras, and the European Bank for Reconstruction and Development, which was advised on a loan of €6 million to Bank Siauliu. The firm also acted for Lithuanian bank Medicinos Bankas on a €5 million loan from Kreditanstalt für Wiederaufbau. Other prominent clients of the firm include Kredyt Bank, HSBC and Skandinaviska Enskilda Banken.

Lideika Petrauskas has also recently represented DnB NOR Bank on a cash pooling and UniCredit on the regulation of banking activities in Lithuania. The firm also advised on regulatory issues for Barclays Capital and custody issues for HSBC.

Lideika Petrauskas Valiunas ir partneriai is a member of LAWIN, a group of leading Baltic law firms. LAWIN houses 90 lawyers, making it the largest legal presence working in the Baltics. The firm is also a member of the legal networks Lex Mundi, TAGLaw and the World Services Group.

Leading lawyers

Gediminas Reciunas
Giedrius Stasevicius

Key contact partner

Giedrius Stasevicius

Law Firm Bernotas & Dominas Glimstedt

Law Firm Bernotas & Dominas Glimstedt is one of the most prominent and influential firms in Lithuania, and name partner Gediminas Dominas is regularly cited by peers as being "a lawyer of the highest quality".

The firm is consistently retained by a number of impressive lenders and borrowers involved in international and local lending transactions. In the last year the firm has acted for a local borrower on a refinancing by Eurohypo of a €30 million syndicated loan from local institutions; partner Remigijus Jakutis led the deal. The firm has also advised on a LTL100 million (\$36.9 million) equity and debt financing deal of Inter Ikea Holding Services. Other clients include the investment firm Finvesta, the Scandinavian Baltic Development, the Lithuanian investment bank Hermis Finansai and Pinus Proprius.

Among the year's other highlights, Dominas spearheaded advice to Vilniaus Akropolis, a major Lithuanian real estate developer, in the preparation of the initial public offering (IPO) of its shares. The firm has also advised the Lithuanian Ministry of Finance on a €600 million eurobond issue.

Leading lawyers

Egidijus Bernotas
Gediminas Dominas

Key contact partners

Gediminas Dominas

Norcous & Partners

Norcous & Partners is considered a good firm by market observers in Lithuania, especially in the country's insurance market. The banking practice is headed by name partner Irmantus Norcous, described by one rival lawyer as being "a personality and well liked," and senior associate Ruslanas Bronikovas.

The firm recently provided advice to Austrian insurance group Grazer Wechselseitige on the sale of life assurance products in Lithuania by way of free exchange of services within the European Union. Norcous and Bronikovas also recently gave advice and preparation of credit documentation to Eurohypo, one of the leading European mortgage banks, in connection with a loan to a Lithuanian real estate developer.

Leading lawyers

Ruslanas Bronikovas
Irmantus Norkus

Key contact partner

Irmantus Norkus

Sorainen Law Offices

Sorainen Law Offices is one of the leading firms in Lithuania, and a truly integrated pan-Baltic law firm with offices in Latvia and Estonia as well as Lithuania. The firm has a strong commitment to banking and finance, and the Vilnius office provides legal advice to major financial institutions, including the Nordic Environment Finance Corporation, HSH Norbank and Eurohypo. The team was strengthened by the recent recruitment of Algirdas Peksys, a former in-house lawyer at the Vilnius Stock Exchange, a move which may have contributed to the Vilnius Stock Exchange becoming a client of the firm.

In the last year Sorainen Law Offices has aided foreign banks in assessing the possibilities of entering the Lithuanian financial market. The banking and finance team has also advised foreign financiers on granting loans to various legal entities for the purpose of financing real estate development and other projects. A team led by senior associate Rita Svedaite assisted risk capital institution Nordic Environment Finance

Corporation in granting loans to a number of farmers in Lithuania. Partners Kestutis Adamonis and Rita Svedaite also assisted Eurohypo, the leading European public finance and real estate bank, in granting Lithuanian developers with a loan intended to finance the construction cost of one of the largest commercial properties in Lithuania, and the same team were also involved in assisting HSH Nordbank in assessing the possibility of entering the Lithuanian financial markets.

The firm has also been active recently in providing legal service to its clients within the Lithuanian regulatory framework and has been involved in creating the first Corporate Governance Code in Lithuania. The team, led by senior associate Algirdas Peksys, has assisted the Vilnius Stock Exchange with drafting the Corporate Governance Code, which is intended for use by companies listed on the Vilnius Stock Exchange.

Leading lawyers

Kestutis Adamonis
Rita Svedaite

Key contact partner

Kestutis Adamonis

Sutkiene Pilkauskas & Partners

Sutkiene Pilkauskas & Partners is a strong player in Lithuania's banking market. Despite losing Ausrine Suslaviciene to Bank DnB Nord this year, overall numbers are up. The firm has hired two lawyers – Neringa Grazinyte was recruited from Bankines Konsultacijos, and Aurimas Pauliukevicius came from Lithuanian construction company Stamona.

Name partner Jonas Pilkauskas is well regarded by peers for the quality of his work. Described by one rival as being “a very visible professional in banking” he recently advised leading alcohol producer the SPI Group in negotiations with Hansabankas regarding the issue of credit for the acquisition of shares for UAB Bennet distributors, the largest alcohol distributor and importer in Lithuania. Along with associate Vilius Bernatonis, Jonas Pilkauskas also advised Siauliu Bankas on a syndicate loan from the European Bank for Reconstruction and Development worth €18 million.

Name partner Eugenija Sutkiene, meanwhile, has recently advised on bank lending issues to a Lithuanian telecom company and Deutsche Bank. Assisted by Robert Juodka, Sutkiene also represented Nordea Bank Finland and the Canadian Imperial Bank of Commerce in connection with the securing of a €255 million syndicated loan.

In the last year Sutkiene Pilkauskas & Partners has also been involved in advising the World Jewish Property Restitution Organization and the Ministry of Foreign Affairs of Israel in drafting new legislation for the restitution of property rights. Other deals include assisting Sampo Life Insurance in a cross-border transaction to set up one of the first *Societas Europaeae*.

Leading lawyers

Marius Matonis
Jonas Pilkauskas
Eugenija Sutkiene

Key contact partners

Jonas Pilkauskas
Eugenija Sutkiene

Foigt & Partners/Regija Borenus

Foigt & Partners/Regija Borenus is another Lithuanian firm to benefit from its pan-Baltic connections, having signed an agreement with Finnish firm Borenus & Kempinnen in 2004. Regija Borenus is now a member of the Borenus group of law firms operating in the Baltic states and Finland.

Banking activities at the firm principally involve issuing legal opinions to local commercial banks and advising foreign banks on local regulatory issues. Over the past 12 months the firm has advised Allied Irish Banks on opening accounts for Lithuanian entities, and acted for DePfa Bank on the provision of financial services to public sector clients. Regija Borenus also acted for the Royal Bank of Scotland regarding e-agreements relating to the implementation of debt securities sales in Lithuania.

Leading lawyers

Dalia Foigt
Ausra Mudenaite
Tomas Rymeikis

Key contact partner

Dalia Foigt

Saladzius & Partners

Saladzius & Partners has picked up roles on a few interesting banking deals over the past 12 months. These have included providing legal assistance to one of the largest Lithuanian banks on banking compliance and other banking and finance matters, acting for a major British furniture producing company on the drafting of a syndicated loan document and corporate resolutions in relation to a £50 million loan, and advising a major international bank on syndicated loan arrangements in Lithuania.

From among the team, Jonas Saladzius, Rimtis Puisys and Ausrys Sliavas all come in for praise for their expertise in the corporate and financial legal arena.

Leading lawyers

Rimtis Puisys
Jonas Saladzius
Ausrys Sliavas

Key contact partner

Jonas Saladzius

Capital markets

Recommended firms

Tier 1

Law Firm Bernotas & Dominas Glimstedt
Lideika Petrauskas Valiunas ir partneriai LAWIN

Tier 2

Norcous & Partners
Saladzius & Partners
Sorainen Law Offices
Sutkiene Pilkauskas & Partners

Tier 3

Foigt & Partners/Regija Borenus
Foresta Business Law Group
Jurevicius Balciunas & Bartkus
Praemissa Teises Firma

Law Firm Bernotas & Dominas Glimstedt

Law Firm Bernotas & Dominas Glimstedt is considered by competitors to be “a reliable, well-organized firm regarding capital markets work” and this is demonstrated by the firm's deal list, which includes advising Askembla Investment Fund on two of its equity investments in Lithuania and advising on a €40 million

equity and debt financing of the country's largest wind turbine park.

The firm has also acted on three initial public offerings in the past year – for real estate company Vilniaus Akropolis, Vilkyskiu Pienine and AB Levuo. All three deals were handled by associate partner and leading lawyer, Elijus Burgis.

On the debt side, Gediminas Dominas advised the Ministry of Finance on a €600 million eurobond issue. Other clients include Hermis Finansai, Inter Ikea and Svenska Petroleum Exploration.

Leading lawyers

Egidijus Bernotas
Elijus Burgis
Gediminas Dominas
Remigijus Jakutis

Key contact partner

Gediminas Dominas

Lideika Petrauskas Valiunas ir partneriai LAWIN

Giedrius Stasevicius heads a solid capital markets team at Lideika Petrauskas Valiunas ir partneriai LAWIN, together with the “highly respected” Gediminas Reciunas and leading lawyer Zilvinas Zinkevicius.

The firm continues to be involved in the country's most significant transactions. On the equity side, the firm advised on two IPOs – for building company AB Panevezio, in a deal worth €50 million, and for Rubicon City Service.

Major debt capital markets deals, meanwhile, include advising Deutsche Bank on the Republic of Lithuania's €400 million bond issue. The firm also acted for United Bank of Switzerland on a Lithuanian euro commercial paper programme (again, for the Republic of Lithuania) valued at €500 million. Société Générale is another client of the firm, which this year it advised on a public debt offering of €65 million, and the firm also guided Klaipedos baldai, a major Lithuanian furniture manufacturer, through its bond issue arranged by Bank Hansabankas.

Leading lawyers

Gediminas Reciunas
Giedrius Stasevicius
Zilvinas Zinkevicius

Key contact partner

Giedrius Stasevicius

Sorainen Law Offices

Sorainen Law Offices is described by peers as “an active and consistent firm in terms of capital markets”. Among the year's main deals, the firm acted for Eurohypo, the real estate bank, in granting a Lithuanian developer with a loan intended to finance the construction cost of one of the largest commercial properties in Lithuania. The firm also assisted European City Estates, the Austrian real estate investor, in one of the first forward purchase transactions in Lithuania, and advised the Hagemeyer Group in a multi-million debt and equity restructuring project. Finance specialists Kestutis Adamonis and senior associate Rita Svedaite were involved in all of these deals.

Sorainen Law Offices has also developed a niche advising its clients on matters related to derivative products, and the possible listing and trading of these in regulated markets. For example, the firm has recently advised the Vilnius Stock Exchange on structured products, such as warrants, stock options and futures and stock index options and futures. The Stock Exchange turned to Sorainen Law Offices again for advice on assessing the new draft

law on collective investment undertakings. Both these projects were led by Algirdas Peksys.

Leading lawyers

Kestutis Adamonis
Rita Svedaite

Key contact partner

Kestutis Adamonis

Sutkiene Pilkauskas & Partners

“They are an effective, dependable, firm with good lawyers,” said a competitor referring to Sutkiene Pilkauskas & Partners' reputable capital markets operation. As well as the firm itself being highly thought of, both name partners Jonas Pilkauskas and Eugenija Sutkiene come in for considerable acclaim from clients and peers alike. Numbers were up in the capital markets department this year; the firm lost one associate but recruited two, including Neringa Grazinyte, formerly of the Europa Institut in Zurich, UAB Bankines konsultacijos and UAB Korelita. The department now counts three partners and six associates.

On the equity side, Sutkiene Pilkauskas & Partners advised a major financial brokerage firm in Lithuania on an IPO of a major pharmaceutical company and represented one of the largest Lithuanian real estate brokers in a share offering. The firm also advised Euroclear Bank, the provider of the world's premier clearance and settlement system, in relation to the implementation of the EU directive on securities settlement systems in Lithuania.

The firm has also been involved in a number of notable structured finance deals. Among the highlight deals that were still ongoing at the time of writing, it was advising the Vilnius City Municipality on a key construction project, and acting for Nordea Bank Finland and Canadian Imperial Bank of Commerce in connection with the securing of a €255 million syndicated loan.

Leading lawyers

Jonas Pilkauskas
Eugenija Sutkiene

Key contact partners

Jonas Pilkauskas
Eugenija Sutkiene

Foigt & Partners/Regija Borenus

It has been a relatively quiet year for Foigt & Partners/Regija Borenus on the capital markets front; however, the firm continues to be regarded as a solid choice for advice in the area, and continues to count a number of local and foreign clients among its clients.

In particular, the firm provides a consultancy service in relation to regulatory issues, and advises international players in capital markets with respect to their securitization projects in the Baltics and beyond. For example, the firm acted for the Lithuanian Stock Exchange in drafting a new corporate governance code, and guided Merrill Lynch through its investments in Lithuania under the European Union Emissions Trading System.

Regija Borenus also used its strong Baltic links to advise a foreign entity on setting up in Lithuania, Estonia and Latvia with a view to provide financial services to consumers in those countries.

Leading lawyers

Dalia Foigt
Tomas Rymeikis

Key contact partners

Dalia Foigt
Tomas Rymeikis

Jurevicius Balciunas & Bartkus

Despite a subdued 2005 in terms of capital markets, Jurevicius Balciunas & Bartkus has undergone something of a recruitment drive recently, adding two new lawyers to its capital markets team including Tomas Ivanauskas, formerly in-house general counsel

of one of the largest Lithuanian telecommunications companies. This brings the total to seven associates and three partners dedicated to capital markets at the firm.

At the time of publication, capital markets' practitioner Tomas Kairys was involved in advising the issuer on a multi-billion dollar eurobond issue.

Leading lawyer

Tomas Kairys

Key contact partners

Tomas Kairys
Gytis Kaminskas

Mergers and acquisitions

Recommended firms

Tier 1

Law Firm Bernotas & Dominas Glimstedt
Lideika Petrauskas Valiunas ir partneriai LAWIN

Tier 2

Jurevicius Balciunas & Bartkus
Foigt & Partners/Regija Borenius
Norcous & Partners
Sorainen Law Offices
Sutkiene Pilkauskas & Partners

Tier 3

Foresta Business Law Group
Saladzius & Partners

Law Firm Bernotas & Dominas Glimstedt

The mergers and acquisitions market in Lithuania is very lively at the moment, and many market observers suggest that Bernotas & Dominas Glimstedt is among the strongest of players. Partners Gediminas Dominas, Elijus Burgis Egidijus Bernotas and Remigijus Jakutis are regularly given praise by both competitors and clients.

In the past year, Egidijus Bernotas and Elijus Burgis provided legal support to the developers of one of the biggest Lithuanian greenfield projects. Remigijus Jakutis advised the vendors on the sale of their majority interest in AB Kauno tiltai, one of the leading Lithuania road construction company, and also advised an investor on their acquisition of the majority interest in Sonex Group, one of the leading information technology companies. And Elijus Burgis and Gediminas Dominas advised a potential investor in its bid for the purchase of the Lithuanian oil refinery AB Mazeikiu Nafta.

Other mergers and acquisitions high points included providing legal support in a €30 million multi-purpose arena development project in Kaunas, and advising the vendors on the sale of their majority interest in AB Kauno pieno centras, a major Lithuanian ice cream producer.

Leading lawyers

Egidijus Bernotas
Gediminas Dominas
Remigijus Jakutis

Key contact partners

Kestutis Jaskutelis
Egidijus Bernotas
Gediminas Dominas

Lideika Petrauskas Valiunas ir partneriai LAWIN

Lideika Petrauskas Valiunas ir partneriai LAWIN is a "first-rate" and "greatly respected" firm for mergers & acquisitions in Lithuania. The firm has recently recruited a couple of associates into the M&A practice: Povilas Zukauskas, who joined from the Klaipeda College of Social Sciences, and Sandra Prichozaj, who arrived from Bank Nord LB Lietuva.

At the time of writing the firm is advising on a €1 billion ongoing sale process by Yukos of its equity and associated interests in AB Ma eikiu nafta, the largest oil pipeline and offshore terminal complex operator in the Baltic States. This is expected to be the largest M&A transaction in Lithuania for several years, and is forecast to have considerable importance for the Lithuanian economy. The deal is being led by the "very highly regarded" Rolandas Valiunas, Zilvinas Zinkevicius, the head of the firm's mergers and acquisitions department, and a team of six other lawyers.

Among the firm's other noteworthy mandates, Lideika Petrauskas is advising AB SEB Vilniaus bankas on a joint venture investment for the construction and operation of a biodiesel plant in Lithuania valued at LTL100 million, and leading lawyers Gedrius Stasevicius and Gediminas Reciuas gave counsel on the formation of a joint venture between German bank Norddeutsche Landesbank and AB Nord LB Lietuva, Lithuania's third largest bank, to set up banking activities in the Baltics, Poland, Finland and Denmark. The joint venture is worth €2.5 billion.

Finally, a team led by Dovile Burgiene and spanning the LAWIN network advised Lithuanian Telecom, the country's largest fixed-line telecoms operator, on its acquisition of Microlink, a major pan-Baltic IT company, in what was one of the largest pan-Baltic transactions which involved Lithuanian Telecom acting together with Lattelekom and Ellion, their counterparts in Latvia and Estonia.

Leading lawyers

Rolandas Valiunas
Zilvinas Zinkevicius
Dovile Burgiene

Key contact partners

Rolandas Valiunas

Foigt & Partners/Regija Borenius

Led by Ausra Mudenaite and Tomas Rymeikis, Foigt & Partners/Regija Borenius' two-partner, five-associate M&A department has had a very active year, making full use of its pan-Baltic links.

The firm, along with the other Borenius group law firms, represented the seller in the acquisition by a Danish company of a 50% stake in the Kemira Grow How group of companies in the Baltics. In November 2005 the firm teamed up with its Latvian network firm member (Liepa Skopina Borenius) to help Re & Solution, a real estate consultancy, acquire Kristensen Baltic, a Latvian real estate company.

Another recent deal of note saw the firm advise First Data, a global leader in electronic commerce and payment services, on its acquisition of EuroProcessing International, a major card processor in central and eastern Europe (CEE), a tricky deal that involved the firm completing a lengthy due diligence process of UAB Mokejimo korteliu sistemas, Lithuania's biggest card processing centre.

The firm also provided local counsel to Danish company Logstor Ror Holding when it acquired Alstom Power FlowSystems from the global Alstom Group's Power Service Division, thus becoming the world's leading manufacturer of complete pre-insulated pipe systems for transportation of gases and liquids to the district heating and cooling, oil and gas, marine and industrial sectors. Subsequent to this, in April 2006, the firm assisted Logstor's owners of Logstor in sale of their stake in the company to Montagu Private Equity.

Finally, Foigt & Partners/Rejiga Borenius represented the shareholders of the biggest IT services supplier in the Baltic countries – the Microlink Group – to prepare the group's Lithuanian companies for acquisition by Baltic Telecom.

Leading lawyers

Dalia Foigt
Ausra Mudenaite
Tomas Rymeikis

Key contact partners

Skirmante Klumbyte
Ausra Mudenaite
Tomas Rymeikis

Norcous & Partners

Norcous & Partners has had a productive year in M&A with roles on a number of prominent deals, especially in the IT sector. For example, the firm has advised the Baltic Investment Fund on the acquisition of a minority stake in Alnos mokymo centras, an IT education and training company, and has represented Dentsu eMarketing One on its acquisition of Interlogika, an IT company.

The firm has also been involved in a number of deals in the insurance sector this year, advising the largest CEE insurer Polish PZU on the reorganization of four Lithuanian insurance companies.

Among the year's other highlights, Norcous & Partners advised Rokiskio suris, the largest Lithuanian dairy, on the acquisition of Dairy Shopper and acted for Rokiskio's management on acquiring the controlling shareholding in the company. The firm also acted for one of Europe's leading construction groups on the acquisition of a Lithuanian road construction company, and represented Eitel on the purchase of a 100% interest in UAB Comliet, one of Lithuania's leading Lithuanian engineering and telecommunication construction companies.

Leading lawyers

Ausra Adomaityte
Irmantas Norkus

Key contact partners

Ausra Adomaityte
Zilvinas Kvietkus
Irmantas Norkus

Saladzius & Partners

Saladzius & Partners continues to impress in the mergers and acquisitions market in Lithuania this year in a practice headed by name partner Jonas Saladzius. Recent deals include advising the major Kazakhstan oil and gas company KazMunaiGaz as one of the buyers in the tender process of the acquisition of interest in refinery AB Mazeiku Nafta valued at \$1 billion, and acting for one of the major Scandinavian energy and heat companies in the acquisition of one of the largest Lithuanian heating companies. Elsewhere, the firm performed a buy-side legal due diligence and provided transaction support services to a major Lithuanian cable telecommunication company in relation to the acquisition of shares in several other Lithuanian cable telecommunication companies.

Leading lawyers

Jonas Saladzius
Maksimas Saveljevas

Key contact partner

Jonas Saladzius

Sorainen Law Offices

Mergers and acquisitions work is the main area of strength for Sorainen Law Offices's corporate practice, and the firm has been involved in a good few deals over the past year. The M&A team is headed by the "highly recommended" leading lawyer Kestutis Adamonis, rising star Renata Berzanskiene, and senior associate Raminta Karlonaitė.

Berzanskiene and Karlonaitė teamed up to advise Schibsted Baltics, a leading media group, in relation to its acquisition of a free Lithuanian newspaper. Adamonis, meanwhile, led a team that advised Northcliffe Newspapers on the acquisition of shares in the publisher of a leasing advertisement newspaper in Lithuania, and along with Karlonaitė assisted Rautakirja Oy when it sought to acquire shares in the leading Lithuanian press distribution company. The firm also advised Rautakirja Oy in its acquisition of all the shares of Lithuania's leading kiosk retail company.

Leading lawyers

Kestutis Adamonis
Raminta Karlonaitė

Key contact partners

Kestutis Adamonis
Renata Berzanskiene
Raminta Karlonaitė

Sutkiene Pilkauskas & Partners

Sutkiene Pilkauskas & Partners move up the rankings from last year in M&A due to almost universal recommendation from rivals. One interviewee described it as "a major surprise" that the firm was not ranked in tier two last year and another suggested the firm is "among the main players in the M&A market".

Name partner Eugenija Sutkiene specializes in M&A work, and leads a team of three partners and 11 associates who focus on the area. The team recently represented a consortium of the world's largest oil companies in buying shares in Mazeikiu nafta, the largest oil refinery in the Baltic States, and acted for the SPI Group in connection with the acquisition of UAB Bennet distributors.

Among other highlights, the firm advised Swedbank in relation to its acquisition of shares from minority shareholders in Hansabank and in the sale of shares, valued at €8 million, in the largest distributor of press in Lithuania.

Other clients include Mars Incorporated, Tamro and the State Property Fund.

Leading lawyers

Jonas Pilkauskas
Eugenija Sutkiene

Key contact partners

Czeslaw Okinczyc
Jonas Pilkauskas
Eugenija Sutkiene

Project finance

Recommended firms

Tier 1

Law Firm Bernotas & Dominas Glimstedt
Lideika Petrauskas Valiunas ir partneriai LAWIN

Tier 2

Foigt & Partners/Regija Borenienius
Norcouc & Partners
Saladzius & Partners
Sorainen Law Offices
Sutkiene Pilkauskas & Partners

Tier 3

Foresta Business Law Group
Jurevicius Balciunas & Bartkus

Law Firm Bernotas & Dominas Glimstedt

Bernotas & Dominas Glimstedt receives a steady stream of projects work, and maintains its strong positioning in the Lithuanian projects market due to mandates from eminent clients such as Inter Ikea, Svenska Petroleum Exploration, Askembla Asset Management and Scandinavian Baltic Development.

“Highly recommended” leading lawyers Egidijus Bernotas and Remigijus Jakutis have been very visible this year providing legal support to the developers of one of the biggest Lithuanian greenfield projects and providing extensive legal support to local real estate developer in a construction project for a shopping centre in Kaunas, one of the biggest shopping and entertainment centres in the Baltics.

Other project finance high spots this year included advising on a €40 million equity and debt financing of the country's largest wind turbine park, and providing legal support in a €30 million multi-purpose arena development project in Kaunas.

Leading lawyer

Gediminas Dominas

Key contact partners

Gediminas Dominas
Remigijus Jakutis
Kestutis Jaskutelis

Lideika Petrauskas Valiunas ir partneriai LAWIN

Lideika Petrauskas Valiunas ir partneriai LAWIN is one of the top firms for project finance work in Lithuania. Four partners and four associates make up the department, which is headed by the “highly acclaimed” Giedrius Stasevicius. Clients include the European Bank for Reconstruction and Development, AB Lietuvos Energija, Sparebanken Soer and the Ignalina nuclear power plant.

This year the firm has acted for Sparebanken Soer on a secured loan to Durapart Industries, represented Eksportfinans on a loan to UAB Kursiu linija, acted for AB Lietuvos Energija on a joint venture arrangement for the construction of Estlink (an interconnection between Finland and Estonia) and continued to advise the Ignalina nuclear power plant on the financing of its decommissioning.

Leading lawyers

Dovile Burgiene
Giedrius Stasevicius

Key contact partner

Giedrius Stasevicius

Foigt & Partners/Regija Borenienius

Regija Borenienius has been involved in a number of project finance deals over the past 12 months, most of which relate to Lithuania's booming real estate market. Throughout the year Regija Borenienius has represented YIT Kausta in numerous real estate development projects, including five major housing projects. The firm also represented OÜ TVCorp, an Estonian company, in a major media investment project involving the setting up, development and expansion of the activities of UAB MTV Networks Baltic, undertaken with the ultimate goal of launching MTV Baltic in Lithuania, Latvia and Estonia by September 2006.

Among the year's other standout deals, Dalia Foigt, the firm's managing partner, served as a legal expert in the dispute between the government and Svenska Petroleum Explorations in relation to investments made in Lithuania. The team also provided advice to the seller in one of the biggest land transfers in Lithuania in the last year, valued at €15 million, and guided the Inditex Group through its capitalization of €3 million debt into equity.

Leading lawyers

Ausra Mudenaite
Tomas Rymeikis

Key contact partners

Ausra Mudenaite
Tomas Rymeikis

Norcous & Partners

Norcous & Partners has two partners and three associates that advise on project finance work. The firm recently represented an Icelandic bank on security transactions in Lithuania, acted for a Lithuanian daily newspaper on a lending transaction, and guided one of the leading Baltic IT holdings through a number of multi-lending transactions.

Norcous & Partners also acted for the world's largest builder of hydrogen production facilities, advised Eurohypo on the provision of a construction loan and revolving credit facility (and subsequent conversion of thereof into a long-term loan), and represented a leading supplier of industrial and medical gases on a cash pool structure.

Other clients include AS Parex Banka and the Baltic SME Fund.

Leading lawyer

Irmantas Norkus

Key contact partners

Ruslanas Bronikovas
Irmantas Norkus
Zilvinas Kvietkus

Saladzius & Partners

This year a team from Saladzius & Partners consulted Marzotto, a world leader in the textile industry. The firm provided legal support while implementing corporate restructuring in Lithuania and the assignments consisted of raising capital and the transfer of shares.

Leading lawyer

Jonas Saladzius

Key contact partner

Jonas Saladzius

Sorainen Law Offices

Sorainen Law Offices has a notable reputation in project finance, and regularly acts for its clients on funding for real estate developments and other project finance transactions.

This year, a team led by senior associates Rita Svedaite and Algirdas Peksys advised the Nordic Environment Finance Corporation on the preparation of loan arrangements. Kestutis

Adamonis and Rita Svedaite assisted HSH Nordbank in assessing the possibilities of entering the Lithuanian market, and acted for Eurohypo in relation to granting a Lithuanian developer a loan intended for the financing of the construction cost of one of the largest properties in Lithuania. The firm also advised European City Estates in relation to the development of a residential block in Vilnius.

Leading lawyers

Kestutis Adamonis
Rita Svedaite

Key contact partner

Kestutis Adamonis

Sutkiene Pilkauskas & Partners

Described by a rival lawyer as “a highly regarded firm”, three partners and seven associates are dedicated to project finance work at Sutkiene Pilkauskas & Partners.

Among the year’s project finance highlights, the firm acted for Finasta on the financing of Sanitas, a major pharmaceutical company in Lithuania, and assisted UAB Baltijos investiciju grupe on its acquisition of shares in one of the country’s largest oil companies.

Another significant deal saw a Sutkiene Pilkauskas & Partners team, led by name partner Eugenija Sutkiene, represent Nordea Bank Finland and Canadian Imperial Bank of Commerce in the establishment of asset security of Vilnius duona plius. This included providing representation to a syndicate of lenders in connection with the securing of a €255 million syndicated loan.

Leading lawyers

Jonas Pilkauskas
Eugenija Sutkiene

Key contact partners

Czeslaw Okinczyc
Jonas Pilkauskas
Eugenita Sutkiene