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An overview of the Swedish securities market

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Securities regulation

In Sweden, the rules for financial operations are defined by the Securities Operations Act (*Lag om värdepappersrörelse 1991:981*) (the SOA) and the Financial Instruments Trading Act (*Lag om handel med finansiella instrument 1991:980*) (the FITA).

The SOA contains provisions relating to companies which engage in business on the securities markets. It states the requirements regarding licences, operation rules, the requirements for the acquisition of financial instruments, capital adequacy rules, and so on.

Any company planning to operate and offer services on the financial markets needs a licence from the Financial Supervisory Authority (*Finansinspektionen*) (the FSA). To obtain a licence under the SOA a company has to file an application with the FSA for a licence. The same applies when an institution with such a licence wishes to change its activities. The change may be due to product development, restructuring or a change in the business direction. An application must contain a description of the organizational structure of the company, information concerning ownership and management, the board of directors, a budget and an account of the control routines and security measures.

The FITA contains provisions relating to the trading of financial instruments. It also regulates prospectuses, disclosure of shareholdings and the pledging of collateral. The FITA outlines the situations in which a prospectus must be prepared in connection with offers to purchase traded securities. A prospectus must be submitted to the FSA and in some cases approved before registration. The financial instruments to which the act applies are traded securities and other rights and obligations intended for trading on a securities market.

It should be noted that the Prospectus Directive (2003/71/EC), effective as of July 1 2005, which entails more stringent requirements pertaining to prospectuses, is under implementation in Sweden. The FSA's powers with regard to the supervision of rules for prospectuses will be extended. Prospectuses and related audits play a key role in determining

which companies are listed on stock exchanges and marketplaces, and the FSA will assume a central role in this respect.

The Securities Exchange and Clearing Operations Act (*Lag om börs- och clearingverksamhet 1992:543*) (the SECOA) applies to any undertaking that conducts business operations with the aim of carrying on regular trading in financial instruments. An undertaking may receive authorization as a securities exchange or marketplace by the FSA. Clearing operations may only be conducted on a commercial basis by the Central Bank of Sweden, and by undertakings that have been licensed as clearing organizations pursuant to the SECOA.

To this regulatory system should be added regulations and general guidelines issued by the FSA.

Further guidance on good practice on the Swedish securities market can be found in recommendations issued by the Swedish Securities Council (*Aktiemarknadsnämnden*), the Swedish Industry and Commerce Stock Exchange Committee (*Näringslivets Börskommitté*) and the Stockholm Stock Exchange (*Stockholmsbörsen*).

Supervisory and regulatory authority

All companies operating in the Swedish financial markets are authorized, supervised and monitored by the FSA. At present the FSA supervises 109 Swedish banking companies and credit institutions, their subsidiaries and branches, 130 securities companies, 70 fund management companies, two stock exchanges, one authorized marketplace, 413 insurance companies, 101 benevolent societies and 1,700 insurance brokers, as well as the central securities depository and clearing house and the Swedish central giro bank. The FSA is financed from the national budget and by fees from the 2,500 or so institutions it supervises.

Money laundering

On January 1 2005, amendments involving more stringent rules on money laundering came into force as a result of the EU Money Laundering Directive (2001/97/EC). The new legislation implemented into the Act of Measures against Money Laundering (*Lag om åtgärder mot penningtvätt 1993:768*) covers lawyers, auditors and estate agents.

The process of implementing the directive has resulted in the FSA implementing Regulations and General Guidelines

Governing Measures against Money Laundering and Financing of Particular Serious Crimes in Certain Circumstances (FFFS 2005:5), which came into force on July 1 2005.

The Notification of Certain Financial Operations Act

A new Banking and Financing Business Act (*Lag om bank- och finansieringsrörelse 2004:297*) came into force in Sweden on July 1 2004. The new legislation is part of the modernization of the regulations governing banking and financing businesses.

At the same time as the new Banking and Financing Act came into force, some 30 amendments were made to other acts as a result of the new act. One of the amended acts was the Notification of Certain Financial Operations Act (*Lag om anmälningsplikt avseende viss finansiell verksamhet 1996:1006*) (the NCFOA).

Under the SOA, certain limited non-public corporate finance activities may be conducted without a licence. Given the amendments to the NCFOA, unlicensed activities might now have to be notified to the FSA where the principal activity of a natural or a legal person is to provide financial advice. This means that all entities engaging in corporate finance activities without a licence under the SOA must determine not only whether their activities may require licensing under the SOA, but also whether a notification is required under the NCFOA.

Banking and project finance

Recommended firms

Tier 1

Advokatfirman Cederquist

Mannheimer Swartling

Advokatfirman Vinge

Tier 2

Gernandt & Danielsson

Advokatfirman Hammarskiöld & Co

Linklaters

White & Case Advokat

Tier 3

Baker & McKenzie

Gärde Wesslau Advokatbyrå

Advokatfirman Lindahl

Setterwalls Advokatbyrå

Wistrand

Advokatfirman Cederquist

Cederquist is a much-admired firm that moves up in the rankings this year after extensive positive comments from market observers. Competitors drew attention to the strength of the firm's banking practice, one remarking that the firm has now "grown extremely strong." Svante Hulteqvist is the practice leader, and he oversees a team of two partners and 10 associates. Hulteqvist himself is a well-respected banking lawyer, and was cited by a client at a large domestic financial institution as a practitioner that "understands things on first explanation ... he knows his clients and their needs." Another client praised both

him and his team of associates, saying "Svante has excellent experience and is a very good lawyer, very service minded and a nice chap ... he has excellent associates around him – I very much like working with them."

The firm's banking client list is excellent, and the firm has this year landed roles on some top-flight deals. Cederquist advised a consortium of arrangers in relation to a refinancing deal, which included Eurohypo, FöreningsSparbanken, SEB and Handelsbanken. The SKr15.1 billion (\$2 billion) deal was designed to refinance Torner's existing debt and bridge facilities and was completed in 2004. The leading lawyers from Cederquist were Hulteqvist and Mattias Larsson.

The firm also advised on the financing of the public acquisition of Fabergé by Wihlborgs Fastigheter. Again, Cederquist acted for the arrangers in the deal, which this time consisted of FöreningsSparbanken, Nordea and Handelsbanken, and the transaction, completed in 2004, was valued at SKr7.25 billion. The financing package consisted both of an acquisition facility and a bridge facility, and, again, Hulteqvist and Larsson spearheaded the team's advice.

Further clients include the Royal Bank of Scotland and UBS, which came to the firm for advice over a deal during which they acted as lead arrangers and underwriters as Thule acquired Candover. The purchase was made using senior and mezzanine credit facilities, and the SKr3.7 billion deal was closed in late 2004. The Cederquist lawyers providing counsel on the deal were partner Martin Rosell and associate Magnus Hakanson. Candover was advised by Linklaters.

Deutsche Bank also came to the firm for advice in relation to the financing of EQT's acquisition of Munksjö Smurfit. The deal, which closed in March 2005, was valued at €387 million (\$485.7 million).

Leading lawyers

Svante Hulteqvist

Mattias Larsson

Key contact partners

Svante Hulteqvist

Mattias Larsson

Mannheimer Swartling

André Andersson is the head of the banking department at Mannheimer Swartling, which maintains offices in Stockholm, Gothenburg, Malmö and Helsinki. The practice has grown over the past 12 months with the appointment of three new assistants; two were internal moves and one was an external hire. This means that the count of senior banking lawyers at the firm stands at 10 partners and 34 associates; one banking partner is UK-qualified. Andersson himself retains an excellent reputation among clients, one describing him as "absolutely excellent," while his Malmö colleague, project finance specialist Jan Kansmark, also came in for plenty of praise, another foreign client calling him "a maestro of law." Another project finance partner, Johan Granehult, received the most plaudits, however. One foreign client enthused: "You feel he knows

everything by heart. When he opens an agreement he can instantly outline the acts relevant to the problem areas ... he can make quick links between all the liabilities of the parties. He is that quick and smart ... he has a very diagrammatical approach, and possesses an in-depth insight into how changes impact everything.”

Mannheimer retains an excellent reputation for banking advice, and is featured on the panels of numerous domestic and international financial institutions. Recent clients have included Nordea Bank, which Mannheimer advised on the sale and lease-back of Nordea's real property holdings. The deal was supervised by André Andersson and Jesper Johansson, and was valued at €775 million (\$962.05 million). Other banking instructions have seen the firm Mannheimer advise Svenska Handelsbanken on financing the €850 million joint acquisition by CVC and Nordic Capital of CSM, as well as in relation to the €210 million financing for the acquisition and refinancing of Dynapac, and represent Assa Abloy on a \$1 billion syndicated loan.

Kansmark's reputation in the project finance market ensures that the firm also wins roles on plenty of top-drawer project financings, and Kansmark takes the reins on most of the firm's mandates in this area. Last year the firm acted for the A-Banan Projekt in relation to the Arlanda rail link build-operate-transfer. And at the time of writing, Kansmark was leading teams acting on a number of ongoing projects, including acting for the Jordanian Ministry of Water and Irrigation in relation to the construction of the As-Samra waste water treatment plant, and the Disi project, which involves the construction of a water pipeline in Jordan.

Leading lawyers

André Andersson
Johan Granehult
Jan Kansmark

Key contact partner

André Andersson

Advokatfirman Vinge

Bo Adrianzon is the head of Vinge's banking team, which numbers eight partners and 20 associates. Vinge is undoubtedly an excellent firm for banking work, and it received a slew of positive comments from clients and competitors, one of whom remarked that “Vinge, with its lead partner Hans Wibom, is almost in a tier of its own.”

Wibom's colleague Mikael Ståhl also came in for plenty of praise, especially from satisfied clients. One said that he “does a good job,” while another was more effusive, saying that “he is quick in response, even if busy – you know where you are in his process ... he is also business-minded, and has had more experience than most.”

Most of Vinge's standout mandates over the past year have been on the borrower side. In May 2004 Vinge acted for Altor Equity Partners and Dynapac in relation to €210 million (\$263.5 million)-worth of senior facilities provided by Svenska Handelsbanken relating to Altor's acquisition and refinancing of

Dynapac. The following month Wibom and up-and-coming senior associate Tobias Brandell acted for Gambro when it borrowed \$750 million under a multicurrency revolving credit facility granted by a bank syndicate comprising BNP Paribas, Citigroup Global Markets and Skandinaviska Enskilda Banken. And in November 2004 Brandell worked under Ståhl when Skanska instructed the firm to advise on a multicurrency revolving credit facility provided by HSBC worth €600 million.

Vinge wins mandates on the arranger side of large deals too. For example, in July 2004 Vinge acted for Deutsche Bank in its capacity as arranger of Svenska Handelsbanken's €5 billion euro-commercial paper programme.

The firm's project finance credentials are also excellent, and the practice – which forms part of the overall banking and finance practice – is headed by leading lawyer Ståhl. The practice was especially busy in July 2004, when it closed three project financings. In the first, it acted for B2 Bredband in relation to the SKr600 million (\$80.9 million) acquisition financing package for Bostream, the second saw the firm advise IXIS Corporate & Investment Bank on the SKr1.88 billion financing relating to restructuring a property portfolio, and in the third, Wibom led a team that represented Dometic International in relation to its SKr4.7 billion refinancing. Later in the year, Ståhl advised Hypo Real Estate Bank International on a SKr562.9 million facilities agreement relating to the financing of a real estate portfolio.

Leading lawyers

Bo Adrianzon
Mikael Ståhl
Hans Wibom

Key contact partners

Bo Adrianzon
Mikael Ståhl
Hans Wibom

Gernandt & Danielsson

Gernandt & Danielsson comes highly recommended for banking work, and over the past year has won roles on plenty of excellent deals.

Acquisition financing is an area in which the firm really shines. Among the year's highlights, it advised SQS Security Qube System and its shareholders in connection with financing its merger with CashGuard, acted for Curzon Global Partners, on behalf of IXIS AEW Europe's European Property Investors Fund, in connection with the structured multi-jurisdiction financing of its €270 million (\$338.4 million) acquisition of Nordea's market lease portfolio, which consisted of 97 properties in Sweden, Norway and Finland, represented Procuritas Capital Partners III in connection with the acquisition and related financing of Brio Lek & Lär, and advised listed internet securities broker Nordnet in relation to its financing of the acquisition of the Norwegian internet securities broker Stocknet, which involved a financing package consisting of perpetual and fixed-term subordinated debt.

Gernandt & Danielsson has also been busy outside the realms of acquisition finance. For example, it advised NorScan Properties in connection with the multibillion-kronor financing of the sale and leaseback, under 25-year net leases, of four commercial blocks containing, among other businesses, Nordea's head offices in Stockholm, Helsinki and Oslo. The firm also serves as regular advisor to the real estate fund Sveafastigheter in relation to its derivatives master agreement documentation under Isda, and over the year has acted frequently for Skandinaviska Enskilda Banken on its lending activities, including in connection with the €200 million refinancing of Gunnebo, the \$750 million refinancing of Gambro and the \$325 million and €150 million refinancing of Alfa Laval.

Gernandt & Danielsson is a member of the Loan Market Association, which enables it to keep track of recent developments in standardized loan documentation.

Leading lawyer

Dick Lundqvist

Key contact partner

Dick Lundqvist

Linklaters

Unlike many of the market leaders in Sweden, Linklaters' extensive international network means that it can offer seamless cross-border advice and field teams drawn from multiple offices when necessary. After the departure of former head of the group Lena Hasselgren, Jörgen Durban now heads up Linklaters' Swedish banking practice. He is supported by one other partner (Fredrik Rydin) and a team of 10 associates. Rydin is making a real name for himself in the banking market, one client describing him as having "very good legal sense" and being "very service oriented."

Hasselgren's departure is not all doom and gloom, however – her appointment as chief legal officer at the Royal Bank of Scotland's rapidly expanding Nordic branch should do much to strengthen even further the firm's already well-developed relationship with the Royal Bank of Scotland, and the bank could be a fruitful source of work going forward.

In one standout mandate, following the sale by Stora Enso and Korsnäs of most of their subsidiaries' forest land to Bergvik Skog, Linklaters acted as legal adviser to Bergvik Skog in its capacity as borrower of SKr11.1 billion (\$1.48 billion)-worth of syndicated term loan and revolving credit facilities, arranged by Nordea Bank Svenska Handelsbanken. The facilities were secured by real estate mortgage pledges for the forest land owned by Bergvik Skog, pledges over shares in the subsidiaries and assignment of rights under the share purchase agreements with Stora Enso and Korsnäs.

Linklaters has picked up roles on various acquisition finance deals over the past year. For example, it advised 3i Nordic (UK) Filial Sverige on financing its acquisition of Pharmadule Emtunga, the SKr1.725 billion financing package provided by FöreningsSparbanken and HSH Nordbank, and acted for the 3i Group and Atea Holding in relation to a SKr600 million credit facility used partly to finance an add-on acquisition by 3i's portfolio company, Atea, of two Finnish companies from WM-Data.

In the area of lease financing, meanwhile, Linklaters acted as adviser to the Swedish state owned railway operator, SJ, in connection with financing 43 X 40 regional trains manufactured by Alstom. The financing was structured as a Swedish leveraged lease with Nordea Finans Sverige as lessor, and was the largest lease financing in Sweden in 2004. The financing was notable as much for its complexity as for its size; it included a transfer of existing euro- and kronor-denominated currency forward contracts from SJ to Nordea to hedge payments under the supply contract.

Key contact partner

Jörgen Durban

White & Case Advokat

Göran Åseborn runs White & Case's banking practice in Stockholm, which reports that over the past year it has handled around 40% more work than the previous year. The economic conditions in Sweden have meant that investors have tended to turn to acquisition and structured finance transactions instead of traditional capital markets deals, and this has served White & Case well, as the firm has a wealth of experience in this area. While the deal tally and market opinion does not quite justify the firm's promotion into the top tier for banking work, it is very much knocking on the door of that tier, and it will be interesting to chart the firm's progress over the coming year.

From among the team, Bengt Åke Johnsson received the most praise from the market. He is widely respected by his peers at rival firms, and is also a client favourite: one client said that "we have worked with Bengt Åke Johnsson for 25 years, and the longevity of this relationship can be put down to his very extensive breadth of knowledge," while another explained that they instruct him because "he has very good judgment, common sense and business sense ... he is service oriented and efficient."

Over the past year White & Case has worked on an impressive range of deals. In March 2005 Nordic Capital turned to the firm for advice in connection with its leveraged acquisition of the automobile parts manufacturer Plastal Holding and in connection with its leveraged acquisition of CSM's sugar confectionary business; the second of these deals was one of the Swedish leveraged market's largest-ever bilateral transactions.

In December 2004 White & Case represented General Motors Acceptance Corporation Commercial Finance in relation to the lease financing of MD-83 aircraft to Nordic Airlink, a particularly pleasing mandate for the firm as it marked the first time that General Motors has instructed it in Sweden. Earlier, in July, the firm advised Nordea Bank in connection with an acquisition financing facility granted to Swedish broadband company, B2 Bredband for its purchase of Bostream, and the month beforehand it acted for the Alphyra Group when it borrowed €45 million (\$56.2 million) under a multicurrency facility.

At the time of writing, White & Case was representing Toyota Industries Finance International, as issuer, in relation to setting up its SKr2 billion (\$269.3 million) commercial paper programme, arranged by Svenska Handelsbanken.

Leading lawyers

Goran Aseborn
Lars Isacson
Bengt Åke Johnsson
Clas Romander

Key contact partners

Lars Isacson
Bengt Åke Johnsson
Clas Romander

Other notable firms

A new entrant to the Swedish banking rankings, **Baker & McKenzie**'s banking practice grew last year with the recruitment of an additional associate. The team is run by Leif Gustafsson, and comprises two partners and two associates. The firm has been particularly active in the real estate market, and deal highlights have included acting for Hypo Real Estate International on the SKr144 million refinancing of a real estate portfolio in Enköping, advising Keops on the SKr1 billion acquisition financing of a real estate portfolio in Malmö and representing Reiten & Co on the refinancing of a real estate portfolio in Malmö.

Gärde Wesslau Advokatbyrå also appears for the first time in the banking rankings this year, following evidence of a healthy deal tally and positive client comments. Name partner Hans Wesslau is the head of the four-partner, three-associate banking team that one satisfied client described as "very direct and to the point ... they understand our type of business so we didn't have to explain the basis to them. They seemed very clever." Over the past year the firm advised Nordea Bank Norge in relation to a Nkr3 billion (\$481.5 million) ship financing package granted to UECC (IOM), and acted for Key Equipment Finance and Saxum in connection with their applications for a credit market licence under the 2004 Banking and Financing Business Act.

Capital markets

Recommended firms

Tier 1

Mannheimer Swartling

Advokatfirman Vinge

Tier 2

Advokatfirman Cederquist

Gernandt & Danielsson

Advokatfirman Hammarskiöld & Co

Linklaters

White & Case Advokat

Tier 3

Advokatfirman Lindahl

Baker & McKenzie

Setterwalls Advokatbyrå

Mannheimer Swartling

Mannheimer Swartling's capital markets team is greatly respected, and headed by partner Eva Hägg. The practice group is strong and large, but was dented somewhat this year by the departure of one partner, Göran Nyström, who left to join rival firm Vinge. Though of course this will not undermine so large a legal team – there are 19 partners and 30 associates doing capital markets work at Mannheimer – the departure was still noted by various interviewees as a significant loss. However, there were also arrivals at the team over the last year, as five associates joined the firm.

Telefonaktiebolaget LM Ericsson came to the firm for advice on alterations to its share structures and voting rights. Anders Lindblad was the Mannheimer lawyer working on this matter, while the major shareholders were advised by Vinge. The deal was concluded in early 2005. TeliaSonera was another client, which Mannheimer advised on a €1.12 billion (\$1.39 billion) repurchase of shares, and Tom Hård and Eva Hägg spearheaded the firm's advice on the Karl Faze public offering, advising the firm when it was offered to Cloetta Fazer's shareholders. The deal, concluded in April 2005, was valued at €483 million. The firm also advised Förvaltnings Framtiden in relation to the securitization of mortgage-backed loans. Anders Wikström, Olof Stenström and Carl Hugo Parment were the Mannheimer lawyers working on this €275 million deal.

Other clients included FIH Erhvervsbank, which was advised by Mannheimer lawyers Göran Nyström and Fredrik Andretzky in relation to the €1.3 billion sale of FIH Erhvervsbank to Kaupthing Búnadarbanki. The deal, which also involved input from Danish firm Bech-Bruun, was completed in late 2004. Other recent clients have included Volvo, Sandvik, Ratos and Telefonaktiebolaget LM Ericsson.

Key contact partners

Eva Hägg
Hans Petersson
Anders Wikström

Advokatfirman Vinge

Along with Mannheimer Swartling, Vinge dominates Swedish capital markets legal advice. In 2004, the firm advised on a broad range of capital markets business and was involved in some of the year's highest-profile transactions. The firm is regarded as especially able in debt capital markets work, and the practice itself was bolstered this year by the arrival of two new lawyers, both of them from Mannheimer Swartling.

As in banking, Hans Wibom stands out as the firm's leading light in capital markets. One client said of Wibom: "The points he makes are always relevant. We have had a long experience with him ... his understanding of our company is at the essence of our prolonged working relationship." The firm's strength in depth is reflected in the number of quality associates working on capital markets deals; among these, Tobias Brandell stands out, a client citing him as "thorough, accessible and reliable."

Sample deals have included the firm's advice on Nordic Capital's acquisition of Finnveden, and also the initial public offering of Oriflame Cosmetics.

Further clients of the capital markets practice include SCA, JP Morgan and Merrill Lynch.

Leading lawyer

Hans Wibom

Key contact partners

Johan Cederlund

Hans Wibom

Advokatfirman Cederquist

Cederquist's capital markets team is headed by Wilhelm Lüning. He heads a team of three partners and five associates, which this year has seen the arrival of two associates, Jan Fernkvist and Andreas Elm.

Over the past year the firm has advised a series of clients, including Apoteket, which came to the firm as it divested shares in Tamro to Phoenix Pharma in a deal worth €100 million (\$125.4 million) and Invik, to which the firm provided capital markets advice in relation to its merger with Industriförvaltnings AB Kinnevik. Another standout deal for the Nordis region saw Cederquist advise on the merger between VPC, the Swedish Central Securities Depository, and APK, the Finnish Central Securities Depository. The deal was valued at SKr2.3 billion (\$311 million) and involved input from Cederquist lawyers Wilhelm Lüning, Tone Myhre-Jensen and Per Victor.

Billerud was a further client of the capital markets team, turning to the firm for counsel when it acquired Henry Cook for £275 million (\$502.81 million). Bonnier also sought advice in relation to its acquisition of Alma Media Broadcasting for €460 million, and in its capacity as underwriter Lehman Brothers selected Cederquist as counsel on Windermere's SKr3 billion property portfolio securitization. The team advising Lehman was led by Svante Hultqvist and Martin Rosell.

Previous clients of the firm have included Kungsleden and Volkswagen.

Key contact partners

Wilhelm Lüning

Hans Ramberg

Petter Wirell

Gernandt & Danielsson

Gernandt is a well-regarded firm that is particularly noted for its ability to act as legal adviser both to banks and issuers in relation to initial public offerings (IPOs). Over the past year the firm advised investment bank Hagströmer & Qviberg on its IPO and acted for Ainaxin relation to Scnia's public offer. Other clients that have sought advice over offerings include Orkla, Song Networks, Enskilda Securities and Merrill Lynch International.

The firm also wins its fair share of instructions on more complex and groundbreaking deals. In one such highlight – a securitization thought to be the first of its kind in Europe – the firm

acted on a multibillion Swedish kroner property sale and lease-back of commercial property in Stockholm, Helsinki and Oslo. The acquisition was financed partly by a unique securitization of the properties and leases by way of secured rated bonds with a face value of €775 million (\$972.2 million), issued in Ireland by Midgaard Finance. Gernandt & Danielsson also acted for the underwriters of the bonds.

The firm also acts as adviser in private placements and equity offerings, as well as share redemption programmes. One example of this type of deal saw the firm instructed by Eniro to advise on its SKr800 million (\$108.2 million) share redemption programme.

Key contact partner

Dick Lundqvist

Linklaters

The vast network of global law offices that Linklaters can draw on when instructed to advise on deals is certainly helpful for the firm's Swedish capital markets practice, which counts such luminaries of international finance as Lehman Brothers and Deutsche Bank among its clients. The firm recently advised Barclays Capital in relation to the issue of a series of £200 million 5.75% non-cumulative perpetual step-up capital securities by Swedbank (FöreningsSparbanken) under its \$2 billion global medium-term note (MTN) programme. Jörgen Durban was the lead partner in the Stockholm office.

Linklaters also counselled 3i Nordic when it acquired Pharmadule Emtunga, and advised a consortium of banks (including ABN Amro, Merrill Lynch International and Morgan Stanley International) on a \$1.25 billion securitized eurobond. The deal was the first such bond issue conducted in Russia, and was also the first of its kind to be rated as investment grade.

UBS also came to the firm for advice as arranger on a €1.5 billion euro MTN programme set up for Länsförsäkringar Bank, and Tele2 required advice in relation to the cash offer for ordinary shares, preferential shares and convertible bonds in Song Networks, a deal overseen by lead partner lawyer Martin Börresen and valued at SKr4.95 billion (\$669.3 million).

In another standout matter, Linklaters worked on a securitization whereby a Luxembourg special purpose company issued the notes and loaned the proceeds to Gazprom. The deal was consistent with the Russian Federation's World Bank negative pledge, and was especially complex for its cross-border nature – among other tricky elements it involved a Luxembourg law transfer of future contractual payments from Dutch and Italian energy purchasers that was Swiss and Swedish law-compliant. The deal was overseen by leading partner Jörgen Durban.

Among the year's other highlights, Linklaters acted for Korsnäs in relation to the disposal of forest lands to newly established company Bergvik Skog, which involved the issue of SKr7 billion-worth of equity, and advised Fabege in connection with the public offer by Wihlborgs Fastigheter, a Swedish property management and development firm, looking to acquire 58% of Fabege's shares. This €1.79 million deal

included a management buyout and mandatory offer and was overseen by lead lawyer Svante Johansson. Bostadsaktiebolaget Drott sought Linklaters' advice in relation to the tender offer by Stena to acquire the remaining 10% of its bonds, and Schlumberger turned to the firm for advice on the sale of all the shares in Schlumberger InfoData to Bibliotekstjänst. Fredrik Lindqvist led the Linklaters team overseeing this deal.

Key contact partner

Jörgen Durban

White & Case Advokat

White & Case's capital markets practice is headed by Clas Romander, and this year the team has seen one addition in the form of Marika Dimming. Marika joined the team as a senior associate from White & Case's office in London, and in doing so brought the count of practitioners focusing on capital markets in Stockholm to two partners and seven associates.

Recent work has involved advising ABG Sundal Collier, the financial advisor to Diamyd Medical, in relation to its proposed public offering of shares in Diamyd. The deal was overseen by Romander and associate Vaiva Burgyté. TurnIT came to the firm for advice in connection with a \$64 million public offer by Nocom on the Stockholm Stock Market of all the shares in TurnIT.

ABN Amro is a valued client of the firm in many jurisdictions, and Sweden is no exception. In one notable mandate from the investment bank, ABN Amro Rothschild sought advice from White & Case in its capacity as financial advisor to BAE Systems in relation to a block sale of 15 million class B shares in Swedish-listed company Saab. Romander again led the firm's team on the deal, which closed in March 2005.

White & Case also acted as transaction counsel in relation to the SKr12 billion (\$1.6 billion) initial public offering of all shares in Central Asia Gold, which were then listed on the Swedish Stock Exchange in a procedure overseen by Romander and Peter Sandberg.

Key contact partner

Clas Romander

Insolvency and restructuring

Recommended firms

Tier 1

Advokatfirman Delphi

Advokatfirman Fylgia

Advokatfirman Glimstedt

Advokatfirman Lindahl

Hamilton & Co Advokatbyrå

Hökerberg & Söderqvist Advokatbyrå

Setterwalls Advokatbyrå

Advokatfirman Vinge

Wistrand

The insolvency market in Sweden has been very quiet over the past year, and as such, few mandates have reached the market. However, **Advokatfirman Delphi** is strong in insolvency work, and retains a good reputation for advising technology firms both at home and abroad.

Advokatfirman Fylgia is another well-regarded firm, and Jonas Reiner heads its insolvency group. Over the past year two associates (Joakim Falkner and Pontus Andreasson) have joined the firm, both coming from roles at the district court. This leaves the firm's count of senior operatives at 14 partners and five associates. Recent work has included working on the bankruptcy of four member companies of the Säve Hyrmaskiner Group. This domestic building equipment rental firm has over 400 employees and a yearly budget of over SKr1 billion (\$135.05 million). Fylgia also worked on the restructuring of domestic building contractor Oden Maskin and on the CTA Lindh bankruptcy. This last deal involved advising 76 private investors, and the combined client claims exceeded €4.8 million (\$6.01 million). The Fylgia lawyers acting on the deal were Dimitrij Titov and Carl Östring.

Advokatfirman Glimstedt enjoys membership of the Association of European Lawyers, which gives the firm a parent network of firms and clients across Europe. The firm itself retains 12 offices around the country, as well as a further office in Vilnius, the Lithuanian capital.

Advokatfirman Lindahl comes into the rankings for the first time this year after a series of positive comments from respondents. **Setterwalls** also attracted positive comments from interviewees, specifically thanks to a series of practice-boosting hires that saw a number of senior lawyers join the insolvency practice, notably from Vinge, to strengthen an already formidable team.

Though in the words of one **Vinge** lawyer, insolvency is "not a focus area," Vinge still retains a presence in the above rankings due to previous successful work. This has included advising on the \$100 million Pangea Networks bankruptcy, as well as the Svenska Sub Invest bankruptcy.

Wistrand advises on bankruptcy, restructurings and liquidations, generally acting for banks and other financial institutions. The firm is a member of Denton International, the pan-European law group, and in the words of one interviewee, "has one of the best-quality practices in the market."

Lastly, mention must also be made of **G Grönberg Advokatbyrå**, which is the new incarnation of the now-defunct Coudert Brothers. Though not featured in these rankings, Grönberg is expected to figure next year because of the presence of many talented practitioners, and the market is watching the firm's progress with interest.

Mergers and acquisitions

Recommended firms

Tier 1

Mannheimer Swartling

Advokatfirman Vinge

Tier 2

Gernandt & Danielsson

Advokatfirman Hammarstiöck & Co

Linklaters

White & Case Advokat

Tier 3

Baker & McKenzie

Advokatfirman Cederquist

Advokatfirman Delphi

DLA Nordic

Gärde Wesslau Advokatbyrå

Advokatfirman Lindahl

Setterwalls Advokatbyrå

Wistrand

Mannheimer Swartling

Biörn Riese is the head of the M&A practice at Mannheimer Swartling, which has offices in Stockholm, Göteborg, Helsingborg and Malmö. He heads a practice team, made up of 41 partners and 59 associates, that is divided up in to four departments: mergers and acquisitions, telecoms, media and technology, and private equity and securities. Peter Alhanko is the head of the private equity group. This, by any standards, is a vast practice group and Mannheimer manages to attract some extremely impressive clients as a result. The list includes TeliaSonera, Ericsson, Pfizer, IndustriKapital and Securitas.

Recent work has seen the firm advising Sampo in relation to its acquisition of over 50% of shares in the IF insurance company from Skandia. The deal was valued at €1.3 billion (\$1.63 billion) and involved input from Mannheimer lawyers Axel Calissendorff and Helena Rempler. The firm also advised BAE Systems when it acquired all the shares in United Defense Industries (UDI). From Mannheimer Johan Carle and Fredrik Andretzky advised BAE, while Gibson Dunn & Crutcher advised UDI in this multimillion-dollar deal.

Mannheimer also worked on Faiveley Transport's acquisition of Sab Wabco from private equity fund Vestar Capita Partners. Niklas Bogefors was the lawyer providing advice in a deal valued at €310 million, which closed in late 2004. Further to this was TPG's acquisition of Wilson Logistics Group from Nordic Capital, a €257 million deal that saw involvement from Mannheimer practitioners Mattias Karlsson and Carl Gustaf De Geer.

This is a top-flight team, which is widely cited by interviewees as strong. The quality of advice is matched only by the scope of the practice, and the firm maintains such a strength and depth of personnel that it can advise on deals in English, German, French, Finnish, Danish, Norwegian, Russian, Spanish, Syrian and Arabic.

Leading lawyer

Biörn Riese

Key contact partner

Biörn Riese

Advokatfirman Vinge

Vinge has added 11 senior lawyers to its M&A team over the past 12 months, three of which arrived at the firm as partners. Private equity firms have been particularly active in the Swedish market of late, and in the view of several interviewees are the main entities driving the Swedish M&A market. As a result of this, banks are more willing to do business with private equity firms, and it has been suggested that this upsurge of business has been to the detriment of industrial firms, which are themselves incapable of taking on adequate levels of debt.

Vinge has been a frequent adviser on many of these private equity deals. In one highlight that closed in late 2004, Bo Adrianzon led a team that assisted leading Nordic private equity house EQT with the sale of 83% of the shares in Thule, which were acquired by Candover for €530 million (\$664.54 million), and Nordic Capital turned to the firm for advice in relation to its acquisition of the shares in Finnveden for €338.8 million deal. Vinge also advised CSM when it sold its confectionary wing to CVC Capital Partners for €850 million, and counselled Pinault-Printemps-Redoute when it sold the remaining 10% in the Finaref Group to Crédit Agricole for €265 million.

Vinge also maintains a strong competition team under lead partner Carl Wetter. The team conducts work for private equity institutions including EQT, which came to the firm for antitrust advice over its acquisition of Santitec, the European multi-brand group. Vinge has also acted on the acquisition of Statoil Detaljhandel Skandinavia, as well as on a divestiture by Munksjö. Further clients of the competition group include Fortum, Boliden, Arla Foods, Scandlines and Saab.

Outside the private equity markets, meanwhile, Vinge lawyers Björn Nicolai and Annette Enarsson oversaw the acquisition of a car dealer in Stockholm, and practice head Carl Wetter worked on the acquisition of computer and telecoms company Song Networks.

From this strong team of practitioners, Carl Gustaf De Geer is especially recommended, one client citing him as being "very business oriented, very good at ensuring the deal goes through, excellent at negotiating, and attentive to what needs to be done."

Key contact partners

Johan Göthberg

Christoffer Saidac

Karin Ulberstad

Leading lawyer

Carl Gustaf De Geer

Gernandt & Danielsson

Widely admired partner Dick Lundqvist is the leading M&A lawyer at Gernandt & Danielsson, a firm that retains a strong reputation for M&A work as well as a sizeable client list.

Lundqvist recently advised Cloetta Fazer on a mandatory public offer for the outstanding securities in Karl Fazer. The deal, announced in early 2005, put a market value on the firm of €640 million (\$801.87 million), and involved input from partner Manfred Löfvenhaft and associates Krister Skoog and Danijela Dukic. Löfvenhaft also provided advice to Norway-listed Orkla in connection with its mandatory bid for all the outstanding shares in Sapa, listed on the O-list of Stockholmsbörsen. The acquisition was valued at €197 million.

Partner Karl-Erik Danielsson and senior associate Fredrik Palm advised listed company Addtech on the €19.4 million acquisition of the MediTech business of Bergman & Beving. The Nasdaq-listed Interchange Corporation was another client, and it came to the firm in relation to its acquisition of Inspire Infrastructure 2i, a Swedish internet and wireless local-search technology company. The purchase was made for €11.5 million, and sellers were entitled to receive Interchange Corporation stock.

Among the year's other highlights, Gernandt & Daneilsson provided counsel to Nobel Biocare, CapMan and Investor Growth Capital in relation to the sale of domestic medicare company Entific Medical Systems to Australian-listed medical technology company Cochlear, acted for Arvid Svensson when it sold its 50% share of Bro Axel, Bro Anton and Bro Trader, and represented UK private equity house Stirling Square Capital Partners when it turned to the firm for advice on its €190 million acquisition of the Swedish reusable plastic packaging producer Arca Systems International. The deal involved a financed secondary buyout from the Stockholm private equity firm Industri Kapital.

Leading lawyer

Dick Lundqvist

Key contact partner

Karl-Erik Danielsson
Dick Lundqvist

Linklaters

Linklaters' Martin Börresen heads an M&A team of 11 partners and 30 associates that is widely admired by market observers, and is teetering on the brink of the top tier for its M&A work over the past year.

Linklaters recently advised on Tele2's cash offer for Song Networks, a deal valued at SKr4.95 billion (\$667.52 million). The acquisition was carried out through Tele2's wholly owned subsidiary, Tele2 Sverige, and involved the purchase of all of the firm's ordinary shares, preferential shares and convertible bonds. The firm also advised on a complex acquisition finance deal valued at SKr11.1 billion, in which Stora Enso and Korsnäs (the wholly owned subsidiary of Industriförvaltnings AB Kinnevik) disposed of companies holding most of their forestry companies to a newly

established company, Bergvik Skog. The acquisition was financed by a SKr7 billion bank syndicated loan and a share and subordinated debt issue, and the creation of Bergvik Skog included an extensive internal reorganisation of Korsnäs, which involved the subdividing of properties and property amalgamation processes.

Other clients included Millicom International Cellular, which Linklaters advised on a secondary listing of depositary receipts on the Stockholm Stock Exchange, and Industriförvaltnings AB Kinnevik, which required advice from the firm in relation to its merger with Invik. This SKr20 billion deal was the first-ever statutory merger between two Swedish listed companies (now possible because Sweden's new tax legislation allows for tax-efficient statutory mergers); the procedure was, again, overseen by lead partner Börresen.

Leading lawyer

Martin Börresen

Key contact partner

Martin Börresen

White & Case Advokat

Claes Zettermarck is White & Case's head of M&A, while Ulf Johansson is in charge of the firm's private equity capacity. The practice team consists of five partners and 22 associates.

Recent clients have included AP Fastigheter, which came to the firm for advice in relation to its sale of a portfolio of commercial and non-commercial properties to Merrill Lynch and Möller & Partners for €1.82 billion (\$245.03 million). In January 2005 the firm acted for Nordic Capital in relation to its purchase of automotive industry plastics supplier Plastal, and the following month acted for the same client on its €405 million divestment of Dynal Biotech Holding to US biotech company Invitrogen. At the time of writing, White & Case was representing Borås Wäfveri on its €23 million divestment of Jotex, the domestic mail order retailer. Another deal saw White & Case advise GE Real Estate when it acquired Ateneum i Växjö for SKr469 million (\$63.44 million).

The private equity market, meanwhile, has been a steady source of work for the firm. In one standout deal, in August 2004 Claes Zettermarck and Lennart Pettersson advised private equity group Nordic Capital when it sold the Wilson Logistics Group (the Nordic region's largest air logistics group) for £170 million (\$312.47 million) under a structured trade sale that was Nordic Capital's largest deal of the year. White & Case also received instructions from Accent Equity Partners and Amaranth Capital when they each sought guidance on setting up private equity funds worth €250 million and €400 million respectively. Skanska was another client, turning to the firm for advice on the divestment of its facilities management wing, Skanska Services, to 3i Group.

At the time of writing, White & Case was acting as deal counsel to Nordic Capital and other investors and minority owners that will, subject to competition clearance, sell all shares in Mölnlycke Health Care to Apex Partners.

Key contact partners

Ulf Johansson
Claes Zettermarck

Baker & McKenzie

Sten Bauer and Carl Svernlöv are in charge of M&A at Baker & McKenzie in Sweden, and they lead a team of seven partners and 20 associates. Over the past 12 months the firm has hired one associate into the M&A practice: Jenny Sandahl, formerly of the district court. Baker & McKenzie is a well-regarded firm that is a regular feature on the panels of financial institutions and corporates.

Ingrid Björck led a team that advised Flextronics Network Services on a sale to Telia Sonera for SKr100 million (\$13.5 million). Baker & McKenzie also advised Frango when it was the target of a SKr391 million takeover by Cognos, acted for Cash America when it sold off its pawnbroking business to Rutland Fund Management, and won a role advising Internet provider Tiscali when it was sold to Spray Network for €12 million through an auction process.

Further M&A clients include Flextronics CapMan, Callaway Brightpoint and Haniel Textil Services International.

Key contact partners

Sten Bauer
Leif Gustafsson
Carl Svernlöv

Advokatfirman Cederquist

Olle Jansson is the head of M&A at Cederquist and the practice group consists of five partners and 12 associates. Recently the group's number has swelled, with the recruitment of associates Caroline Ahnegård, Louise Bjärgård and Daniel Knutsson, the latter of whom joined the firm's M&A practice from Stockholm's district court.

Petter Wirell led a team that acted for Bergman & Beving when it came to the firm for advice in relation to its SKr225 million (\$30.41 million) acquisition of Momentum from SKF. Cederquist also advised Bonnier Affärsinformation on two deals: first, when it acquired the Nordic operations of Dun & Bradstreet for \$25.5 million, achieved under a combination of share and asset deals conducted in Sweden, Norway, Denmark and Finland, and secondly, in relation to a real estate purchase from the Royal Bank of Scotland, which was followed by a consequent resale in March 2005.

Among the year's other highlights, SegulahInvest came to the firm for advice on its sale of Reda Papper och Design, and DaimlerChrysler Skandinavien Holding required Cederquist's advice in relation to its sale of DaimlerChrysler Capital Services to Elcon Finans. Lennart Kanter was the Cederquist lawyer advising on both of these deals.

Key contact partners

Olle Jansson
Lennart Kanter
Petter Wirell

Gärde Wesslau Advokatbyrå

Eight partners and four associates focus their attention on mergers and acquisitions work at Gärde Wesslau, which makes its first appearance in the M&A rankings this year after much positive client comment and roles on various solid deals. The M&A practice is headed by name partner Hans Wesslau.

In May 2004 the firm acted for Rasta on its purchase of Belgian company Carestel's chain of restaurants in Sweden and, in March 2005, Peter Egnell and Malin Wikström represented Sjögren Industrihandel, one of Sweden's leading industrial resellers, when it was acquired by Bergman & Beving.

Over the past 12 months Hans-Göran Frick has spearheaded Gärde Wesslau's advice to a wide range of clients, including Xano Industri, Itab Shop Concept and Expanda, on various M&A transactions.

Key contact partners

Hans-Göran Frick
Ulf Gärde
Hans Wesslau