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The law relating to receivables in Finland

Pekka Lehtinen and Tero Tuomisto
Castrén & Snellman
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In Finland, as well as in other Nordic countries, market participants have begun to show an increased interest in receivables and their related business opportunities. One example of this was the deal in which the Altor 2003 Fund, counselled by the Nordic private equity investor Altor Equity Partners, acquired Contant Oy, a leading Finnish debt collection company, at the end of 2003, led by the Finnish private equity investor Sponsor Capital Oy and Nordea Bank Finland Plc. The Altor 2003 Fund continued its acquisitions in this sector at the beginning of this year by acquiring Lindorff Holding, the leading Norwegian receivables collection company, from Gjensidige NOR.

One reason for the growing interest in receivables governed by the laws of Finland is the civil law concept that the Finnish legal system is based upon. Finnish law facilitates the growing interest in receivables by providing market participants with predictable provisions on the effective assignment and transfer of such receivables. This predictability has been further improved by court rulings upholding effective assignments and transfers of such receivables. Market participants are able to assess their position and risks more thoroughly than before when selling and purchasing receivables.

The legal framework

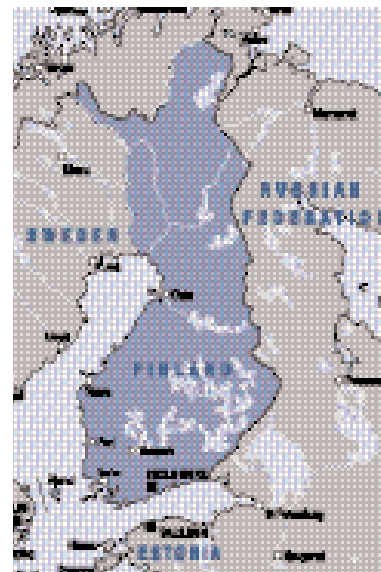
Effective intra partes assignment and transfer

The Finnish Act on Promissory Notes (622/1947 as amended) serves as the primary regulation for the transfer of receivables in Finland. Finnish legal literature and jurisprudence also provide guidance in this area.

As a general rule, a party that owns a receivable may transfer it to any third, non-debtor party. So all receivables are transferable under Finnish law without the need for licences or similar official authorization, or the consent of the receivable's debtor, assuming the business to which receivables relate does not require such licences or authorization, or there is no express or implied agreement to the contrary between the owner of the receivable and the debtor. The transfer of the receivable is legally binding between the parties, that is, the transferor and the transferee, when a transfer agreement that identifies the receivable to be transferred has been signed and delivered or otherwise concluded by these parties. Such an agreement can be concluded either in writing or orally. As is the case in many other jurisdictions, there are no formal requirements for the form of the transfer agreement.

Effective ultra partes assignment and transfer

To be effective, the transfer of receivables in relation to third parties requires that notice of transfer be delivered to the debtor of the receivable. Such notice can be given without any specific form or procedure, providing the parties with a measure of flexibility.



Notwithstanding this, the prevailing opinion under the Finnish legal doctrine is that such advance notice of transfer would be deemed insufficient if it refers to any receivable that does not exist on the date of the notice. This issue of unearned receivables relates to the so-called earnings principle concept under Finnish law, as is more precisely explained below.

The effective transfer of a receivable under Finnish law further requires that the receivable be identified with specificity. Consequently, the notice of the transfer can only be effective relative to a specified and identified receivable. For example, reference is generally made to the parties, the date of the agreement on which the receivable to be transferred is based upon, and the amount of the transferred receivable. In some cases, the agreement itself is attached to the notification letter.

Earnings principle concept

For the assignment and transfer of a future receivable and/or interest in relation to a third-party creditor of the transferor to be effective, the transfer must be separately perfected through separate notice to the relevant debtor of the receivable to be transferred before the insolvency of the transferor but after such future rights or interests have been earned. Further, after such notice is submitted, the receivable must be paid to and/or retained by the transferee or a third party to sufficiently distance the receivable from the transferor. Finnish legal doctrine considers the receivable to be earned by the transferor upon fulfillment of the transferor's contractual obligations, as evidenced, for example, by the delivery of the trade object.

This earnings principle concept applies, and is particularly significant, in security arrangements in which the pledgor party wishes to pledge its future rights and/or interest to raise funds.

Receivables as collateral

Separate pledge of the receivable

The same procedure must be followed with regard to the effective transfer of the receivable in relation to third parties for the pledge of the receivable to be effective. The effective pledge of the receivable requires that notice of the pledge be delivered to the debtor of the underlying receivable.

As outlined above, for the pledge of a future right and/or interest to be effective relative to third-party creditors of the pledgor, the pledge must be separately perfected through separate notice to the debtor of the receivable or to such other party that has an outstanding obligation in relation to the receivable to be assigned and transferred before the relevant insolvency of the pledgor but after such future rights or interests have been earned and, thereafter, paid to and retained by the transferee or a third party that is sufficiently remote from the pledgor. The receivable is then earned by the pledgor upon fulfilment by the pledgor of the contractual obligations for which the payment, as evidenced by the receivable, is to be made.

Pledge of dividend payments

The legal framework for the pledge of dividend payments provides parties with certain exceptions to the general rule for pledging future rights and/or interest. Based upon the legal precedents established by the Finnish Supreme Court and the

opinion of certain scholars, it is also possible to effectively pledge dividends declared to be payable after the date of the pledge.

To create a valid and enforceable security interest over future dividend payments, a pledged bank account must be opened in connection with the execution of the pledge of the dividend payments. The bank account must be held either by the pledgee or the pledgor. If the pledgor holds the bank account, it must be clearly agreed that it has no right to withdraw any funds from that bank account without the prior written consent of the pledgee. Further, the bank where the pledged bank account is held must be notified of both the pledge itself and of the restriction that the pledgor is not permitted to withdraw any funds from the bank account unless the pledgee gives its express consent.

Business mortgage (floating charge)

A business mortgage, that is, a floating charge, is a form of security registered on the movable property belonging to the enterprise of the pledgor that creates a security interest in favour, for example, of the financier. This security interest applies to receivables as well as to other assets. Such receivables are captured under the business mortgage once the pledgor fulfils its obligation under the contractual relationship on which the receivables are based. In other words, the earnings principle concept, as referred to above, also applies to business mortgage receivables. However, the notifications outlined above are not required to create a valid and enforceable security interest over the receivables by virtue of a business mortgage.

Financiers should always have two options through which they are able to obtain a security interest over such receivables; by virtue of a separate pledge and a notification relating thereto or, alternatively, through a business mortgage.

Securitization

Perhaps the best-known Finnish securitization product is the Fennica Securitization Program. To date, the Housing Fund of Finland (the ARA), a Finnish government agency operating under the supervision of the Ministry of the Environment, has raised a sum equivalent to €2.7 billion (\$3.2 billion) through six Fennica transactions through its Fennica Securitization Program.

As a part of the Fennica Program procedure, housing loans granted by the ARA were transferred to a special purpose vehicle established in Ireland. This special purpose vehicle finances the purchase by issuing promissory bearer notes in the amount of the transferred loans.

The issued notes are secured by the housing loan receivables effectively assigned and transferred to a special purpose vehicle under the laws of Finland and the respective collateral in connection with the transferred and assigned housing loans. The assignment and transfer of the receivables is governed by the laws of Finland. The issued notes remain the sole obligation of the special purpose vehicle and are not obligations of, guaranteed by, or the responsibility of any other entity or individual. The issued notes are not the obligation of the Republic of Finland or of any of its departments or agencies, including the ARA, which has no liability for the notes.

The Fennica Securitization Program illustrates how investors and other parties can use the concept of effective assignment and transfer under Finnish law with respect to more innovative finance instruments. Other structured finance products in the pipeline also aim to use this concept. The established Finnish legal tradition provides a high degree of flexibility in cases where more complex transactions are required.

Track not fast but obstacle-free

At an early stage of any contemplated receivable transaction, it is essential to thoroughly analyze the entire structure of the deal from the perspective of Finnish law and to be aware of all the steps that must be taken to effectively assign and transfer the receivables from the seller to the purchaser or from the transferor to the transferee. As outlined above, the rules and legal concepts for effectuating such assignments and transfers are clear. Thus, while Finnish law does not provide a fast track for achieving assignments and transfers of receivables, it does not impose any significant obstacles to effectuating them.

Banking

Recommended firms

Castrén & Snellman

Hannes Snellman

Luostarinen Mettälä Räikkönen

Roschier Holmberg

Waselius & Wist

White & Case

Borenius & Kemppinen

Dittmar & Indrenius

Merilampi Marttila Laitasalo

Castrén & Snellman

Castrén & Snellman's banking practice is staffed by three partners and eight associates, and headed by partner Pekka Lehtinen. Over the last 12 months the team has seen two arrivals, with Saara Malm and Marcus Möller joining as associates. They join a team that, in the words of one client, is well known for its "strong senior associates".

A solid reputation earns the banking team some high-profile clients, including Citigroup, the Bank of Scotland, Clifford Chance Milan, Nordea Bank Finland and SEB Merchant Banking. Castrén's most recent business with Nordea Bank involved a debt refinancing deal worth €230 million (\$284.6 million), and involved input from lawyers Marcus Möller, Tero Tuomisto and Pekka Lehtinen.

The firm advised SEB Merchant Banking during the financing of two different share acquisitions for Altor's 2003 fund, valued at €56.6 million and Nkr1.5 billion (\$219.5 million) respectively. Castrén also advised Banca Intesa and Sanpaolo Imi during Ali's acquisition of shares in Hackman. The deal was valued at €310 million. The banking team conducts its business in Finnish, English, Swedish and German.

Key contact partners

Pekka Lehtinen

Merja Kivelä

Leading lawyer

Pekka Lehtinen

Hannes Snellman

In the words of one market commentator, Hannes Snellman "should be alone at the top". While this might be overstating things slightly, it is certainly true to say that its excellent reputation as one of Finland's top banking firms has been maintained, and is reflected in the firm's banking clients, which include Citibank, Deutsche Bank, ABN AMRO, Nordea Bank and Skandinaviska Enskilda Banken.

Partner Kari Lautjärvi heads the finance and capital markets practice, and is seen as extremely proficient. Partners Henrik Mattson and Matti Kurkela support him on the team. Kurkela was brought in from Finnish market rival Dittmar & Indrenius.

Among the year's stand-out deals, Hannes Snellman advised OM, the owner of the Stockholmbörsen on its €231 million (\$269 million) combination with HEX, the owner of the Helsinki Exchanges. The transaction was aimed at consolidating the Nordic and Baltic market for trading securities.

Key contact partners

Matti Kurkela

Kari Lautjärvi

Henrik Mattson

Leading lawyers

Matti Kurkela

Kari Lautjärvi

Luostarinen Mettälä Räikkönen

Luostarinen is considered excellent for banking advice, and moves up a tier from last year after receiving numerous plaudits from interviewees. The firm's banking prowess is reflected in its client list, which includes ABN AMRO, Clifford Chance, Skandia, DePfa Bank and JP Morgan.

Luostarinen's banking team has recently taken on three new associates. One senior associate, Janne Tuulos, was made a partner in March 2004, and these changes bring the

number of attorneys in the banking team to three partners and six associates.

Luostarinen Mettälä Räikkönen recently acted for Citigroup Global Markets, with Janne Tuulos overseeing a \$100 million ship finance deal. The firm also advised Commerzbank in the provision of a facility to finance the Polymerlatex Group, which was valued at some €147 million. The deal was completed in September 2003, a month that also saw Luostarinen advise Nordea Bank Denmark on a €430 million facility to finance the Nycomed group. Both deals were overseen by Kimmo Mettälä and Antti Niemi. The banking team conducts its business in English, Spanish, German and Swedish.

Key contacts

Kimmo Mettälä
Raimo Seppälä
Janne Tuulos

Leading lawyer

Kimmo Mettälä

Roschier Holmberg

Roschier Holmberg's banking team is headed by Gunnar Westerlund, and consists of three partners and 16 associates. The practice dates back to 1936, making it one of the most established and respected in Finland.

Gunnar Westerlund leads many of the firm's banking deals. In late 2003 he led a team that advised a bank syndicate led by HSH Nordbank, a deal that involved IVG Immobilien's acquisition of more than 70% of Polar Kiinteistöt, a HEX-listed real estate company. The transaction was one of the largest tender offers in Finland in 2003 and was valued at €96.4 million (\$119.2 million). The team also acted on the €115 million recapitalization of Fonecta, providing advice to The Royal Bank of Scotland, Nordea Bank Finland and HSH Nordbank, Copenhagen Branch.

The largest of the firm's banking deals was the negotiation of export credit guarantees for Kvaerner Masa-Yards, the largest shipbuilding firm in Finland. The deal was worth €1.3 billion and closed in May 2003. Roschier also provided advice to Mezzanine Lender Intermediate Capital Group in connection with BACPE Finland Holdings's acquisition of more than 90% of media company Janton. BACPE is part of the European arm of Bank of America Capital Partners. May 2004 saw the firm advise Hypo Real Estate Bank International Scandinavia in connection with a €350 million acquisition of retail assets in Finland from Ilmarinen.

Key contact partners

Dimitrios Himonas
Gunnar Westerlund

Leading lawyer

Gunnar Westerlund

Waselius & Wist

Lauri Peltola heads this banking department, which Samuel Isaksson recently joined as an associate, and which counts JP Morgan and Nordea Bank among its list of clients. Recent deals that the firm has advised on include the Scandinavian Beverage Group's SKr114 million (\$15 million) term loan agreement. Name partner Jan Waselius and senior associate Tanja Jusilla oversaw the deal.

Waselius & Wist also negotiated a €1.9 billion (\$2.4 billion) facility agreement used to finance the largest industrial investment in Finland, the construction of a 1600 MW nuclear plant by Teollisuuden Voima. The firm acted as Finnish Counsel to the lead arrangers, a consortium that consisted of JP Morgan, Nordea Bank, BNP Paribas, Bayerische Landesbank and Svenska Handelsbanken. Partner Lauri Peltola and senior associate Toni Siimes oversaw the deal.

The firm is based in Helsinki and conducts business in Swedish, English, German and French.

Key contact partners

Lauri Peltola
Jan Waselius
Tanja Wist

White & Case

A talented team of lawyers has brought White & Case's Finnish banking practice a healthy stream of clients, among them the AGCO Corporation, the Nordic Investment Bank, HSH Nordbank, the International Finance Corporation and Stora Enso.

The firm advised US manufacturer AGCO Corporation in connection with its €600 million (\$743.4 million) acquisition of Valtra, the Finnish tractor company. White & Case advised AGCO on the financing of the deal, which included managing real estate mortgages, share pledges, floating charges and guarantees. Partner Timo Airisto worked on the deal, along with senior associate Tanja Törnkvist.

In a €190 million deal completed in March 2003, White & Case advised a consortium of institutions during the project financing of a wastewater treatment facility. The project was of special interest for its status as a public-private partnership (PPP) enterprise and involved interests from more than one European country. The deal was handled by the "excellent lawyer," partner Petri Haussila, who was assisted by associates Tanja Törnkvist and Laura Huomo.

Key contacts

Timo Airisto
Petri Haussila
Tanja Törnkvist

Leading lawyer

Petri Haussila

Borenius & Kempainen

Ari Kaarakainen heads the banking section at this firm, which has recently seen the arrival of associate Stefan Wiklund from BNP Paribas, London. His arrival moves the total count of dedicated banking attorneys to three partners and four associates. The firm gets business from some of the major banking names in the Finnish market, namely Danske Bank Helsinki, Nordea Bank Finland and HSH Nordbank, Copenhagen.

The firm has also recently advised Fonecta during the its €110 million (\$136.6 million) refinancing – a deal that involved input from Nordea Bank Finland, the Royal Bank of Scotland and HSH Nordbank. The team from Borenius acting on the deal included Ari Kaarakainen, Jari Vikiö and Johannes Piha. Nordea Bank came to Borenius again for advice on a €31 million intercreditor agreement that was completed in early 2004. The deal involved a host of companies including 3i Group, Empower, Pohjola Insurance Co and Profita Fund II.

Borenius also negotiated a Nkr116 million (\$17 million) multicurrency credit facility with several claims portfolios acting as security. Again, Ari Kaarakainen led the team that provided advice to HSH Nordbank in this deal, which was completed in February 2004. Kaarakainen also advised firms CapMan Capital and Noiro Oy regarding the acquisition finance for the acquisition of Noiro. Johannes Piha also acted on this €100 million deal.

Key contact partners

Ari Kaarakainen
Jari Vikiö
Nina Wilkman

Capital markets

Recommended firms

Hannes Snellman

Roschier Holmberg

White & Case

Castrén & Snellman

Borenius & Kempainen

Dittmar & Indrenius

Merilampi Marttila Laitasalo

Waselius & Wist

Krogerus & Co

Peltonen Ruokonen & Itäinen

Roschier Holmberg

The last year has been slow for capital markets work in Finland; one market observer comments that “not a single cent was raised in the Finnish stock market by equity issues”. Despite this crippling slowdown, Roschier’s capital markets team, led by Gunnar Westerlund, has managed to stay busy by acting on debt deals involving overseas entities. In the process, the team’s five partners and 20 associates have managed to advise on an impressive range of deals.

Roschier advised the listed Swedish firm WM-data as it launched a €190 million (\$235.9 million) competing bid for the Helsinki-listed firm Novo Group. From Roschier, Risto Ojantakanen and Dimitrios Himonas oversaw the deal, which created the second largest Nordic IT company. Himonas also acted for Outokumpu in its \$300 million global rights offering to Finnish and international investors, including US investors under Rule 144A. In a separate deal, Roschier lawyers Lennart Simonsen, Carita Wallgren and Ulf-Henrik Kull oversaw the €294 million cross-border tender offer by Italian bidder Ali for the Hackman Group, a firm listed on the Helsinki Stock Exchange.

Dimitrios Himonas, along with Kaj Swanljung, advised a series of financial entities as Midgaard Finance issued €775 million-worth of floating rate notes secured on the leases of 13 Nordic commercial properties. These properties were sold by Nordea Bank to special purpose subsidiaries of NorScan, and consequently leased back to Nordea before the note issue. During the course of the deal, Roschier advised Citigroup Global Markets, Nordea Securities and NorScan, bringing the deal to a close in April 2004. This was followed in May by the closure of a deal involving Aktia Real Estate Mortgage Bank, during which Roschier acted on behalf of the arrangers, ABN AMRO. The deal centered on Aktia’s €1 billion medium-term covered note programme, and the consequent listing of the notes on the Luxembourg Stock Exchange. This deal constituted the first international issue of Finnish covered bonds under Finland’s 1999 Mortgage Credit Banks Act, and was overseen by Roschier partner Dimitrios Himonas.

Himonas also advised JP Morgan and Merrill Lynch, who were acting as dealer managers on Stora Enso’s €850 million exchange offer to note holders. Along with Gunnar Westerlund, Himonas has also acted on two recent note issues, both of which involved providing advice to Sampo, and consequent listings on the London Stock Exchange. The first was valued at €300 million, with the notes due 2007, and the second worth €600 million and due 2014. These issues constitute the two largest eurobond issues by a Finnish issuer so far in 2004.

Key contact partners

Dimitrios Himonas
Risto Ojantakanen
Gunnar Westerlund

Leading lawyers

Dimitrios Himonas
Gunnar Westerlund

White & Case

Five of White & Case's eight associates in the capital markets practice are US-qualified and, along with partners Petri Haussila and Timo Airisto, they form a considerable force in Finnish capital markets work. A combination of outstanding individuals and strength in depth has ensured White & Case an assortment of both foreign and domestic clients, including Enskilda Securities, The Finnish Ministry of Trade and Industry, the Fortum Corporation, Merrill Lynch and UBS Warburg.

Recent highlights of the firm's capital markets work include the ABB rights offering, on which White & Case advised the firm on its \$2.5 billion share capital increase by a rights offering to shareholders. The new shares were listed on the Swiss, Stockholm, London and Frankfurt stock exchanges. The deal was overseen by executive Petri Haussila, and involved input from White & Case's offices in Stockholm, New York and London. Haussila also counselled the Finnish Ministry of Trade and Industry on a €136.5 million sale of blocks of shares in the KONE Corporation. The sale was one of the most substantial Finnish corporate deals of 2003.

Key contact partner

Petri Haussila

Leading lawyer

Petri Haussila

Castrén & Snellman

Saara Malm and Marcus Möller have recently joined Castrén & Snellman, boosting the firm's capital markets team to four partners and 10 associates. In this highly capable team, there is one UK-qualified associate.

The company's clients include Fitch Ratings, Fortum, Elisa Corporation, Kapiteeli and the Metsäliitto Group. Fitch Ratings came to Castrén for advice in relation to a structured finance arrangement, during which Nordea used its business premises as collateral in a deal worth €775 million (\$960.8 million). The team involved in the deal from Castrén was comprised of Pekka Lehtinen, Tero Tuomisto, Leena Romppainen and Elina Lampi-Fagerholm.

Pekka Lehtinen also acted on two deals involving Fortum, both of which were closed in 2003. The first was a placement offer to bondholders in Fortum Power and Heat, during which Castrén acted as the sole Finnish legal adviser. The deal was valued at \$1.3 billion. The second was a €4 billion debt programme, on which Castrén advised Fortum as the sole Finnish legal adviser in the transaction. In the UK, Fortum's counsel was Allen & Overy and the underwriter's counsel was Clifford Chance.

The firm conducts its business in English, Finnish, Swedish and German.

Key contact partners

Pekka Lehtinen
Jari Sonninen

Borenius & Kempainen

Borenius' capital markets team has Finnish, Swedish and English language capabilities, and is headed by Ari-Pekka Saanio. The team consists of four partners and six associates; one partner and one associate are US-qualified.

The team has recently been involved in the acquisition of Solagem by Iocore. Ari-Pekka Saanio advised along with three associates on the deal, which was valued at around €7 million (\$8.7 million). The firm also advised on the acquisition of Valtra from Kone by an investor consortium headed by Ponsse.

Other of the firm's clients include Advium, CapMan, the Ministry of Trade and Commerce and PCA Corporate Finance.

Key contact partners

Kai Kotiranta
Ari-Pekka Saanio

Waselius & Wist

Tarja Wist heads this capital markets department, which boasts a series of excellent clients, including the Sampo Bank and Credit Suisse First Boston. Credit Suisse recently came to Waselius in connection with the five-part issue and listing of a programme of zero coupon equity-linked and index-linked notes, listed on the Helsinki Stock Exchange. Tarja Wist oversaw the deal, heading a team that included senior associate Helena Mäkinen and associate Irina Mikkola. The five issues, between May 2003 and January 2004, were valued at a total of some €320 million. The firm also acted as Finnish counsel to JP Morgan securities as Sampo Bank issued two bonds. The first was a fixed/floating rate bond and the second a floating rate bond, valued at €125 million and €150 million respectively. Again, Wist oversaw the deal, this time accompanied by associate Nina Rosenlaw.

As well as these deals, Waselius & Wist acted for the Finnish government in connection with its sale of shares in Sampo Pankki valued at €475 million, as well as a €600 million debt issue by Fingrid. The firm also advised a consortium of banks including JP Morgan, ABN AMRO, Barclays Bank, Danske Bank, Nordea Bank, Sampo Bank and UBS in a further debt issue by Fingrid with a listing on the London Stock Exchange valued at €750 million.

The capital markets practice conducts business in Finnish, Swedish, English, German and French.

Key contact partner

Lauri Peltola

Leading lawyers

Jan Waselius
Tarja Wist

Mergers and acquisitions

Recommended firms

Hannes Snellman

Roschier Holmberg

Castrén & Snellman

White & Case

Borenius & Kempainen

Dittmar & Indrenius

Waselius & Wist

Krogerus & Co

Luostarinen Mettälä Räikkönen

Merilampi Marttila Laitasalo

HH Partners

Procopé & Hornborg

Veikko Palotie & Co

Hannes Snellman

Hannes Snellman has served the Finnish M&A market since 1909 and has established itself as a solid and outstanding addition to the financial law market. During the course of research the firm's position in the first tier was never contested and its reputation is perhaps best represented by the market observer who described the firm as "the out-and-out leaders for M&A".

The firm has worked on a wide range of deals in the last year. Clients over the period have included Pohjolan Voima, Aktia Sparbank, Vaasan & Vaasan, Fujitsu Services, Turun Biolaakso, AIG Europe, Akumiitti, Sampo, Nycomed Pharma, Keskinäinen Eläkevakuutusyhtiö Ilmarinen and Componenta.

Juhani Mäkinen heads the firm's M&A practice and, along with Johan Aalto, is seen as strong in this practice area. A solid reputation has attracted some extremely high-profile clients to the firm, including the Ford Motor Co, which Hannes advised on the sale of Hertz Lease Europe to Société Générale de France in a deal valued at €150 million (\$185.7 million). Other deals handled by the firm over the past year have included advising: Pohjolan Voima on the sale of the remaining 80.1% of shares in Nordic Energy it did not already own; Sampo on the acquisition of shares in If Skadeförsäkring Holding, worth SKr12 billion (\$1.6 billion); Nycomed Pharma in connection with the sale of Collett Pharma; the Raisio Group on the €475 million sale of Raisio Chemicals to Ciba Specialty Chemicals; and

Ahlström Capital on its €40 million acquisition of Elcoteq's industrial electronics manufacturing services

Key contact partners

Johan Aalto

Juhani Mäkinen

Roschier Holmberg

The M&A practice at this firm is headed by Lennart Simonsen. Since July 2003 it has seen four associate lawyers join the team, bringing the total number of attorneys in the firm's M&A department to seven partners and 36 attorneys. This makes it one of the largest M&A departments in Finland.

This allows Roschier to take on work from the biggest corporations in the country, for example Nokia, which forms a part of the firm's client list, as does Industri Kapital Ltd and the General Electric Company. Roschier advised the General Electric Company towards the end of 2003. A team headed by Tomas Lindholm and Carita Wallgren advised on the General Electric Company's cross-border public tender offer for the Instrumentarium Corporation, in a deal valued at €2.2 billion (\$2.72 billion). This was the largest ever cash public tender offer in Finland, and the first Finnish public tender offer by a US company.

Tomas Lindholm and Carita Wallgren were joined by fellow attorney Christian Wik to provide advice to Sampo Oyj during its €1.37 billion acquisition of the Skandia and Storebrand shareholding in If P&C Insurance. At the time of writing, the deal was the largest Nordic M&A transaction in 2004 and the largest M&A transaction involving a Finnish company in the past 12 months.

In late 2003 Roschier lawyers Lennart Simonsen and Ulf-Henrik Kull acted on behalf of Kone in connection with its sale of Partek Forest and Partek Forest Holdings to Komatsu, a Japanese construction equipment manufacturer. The deal was valued at €120 million.

Key contact partners

Mika Alanko

Ulf-Henrik Kull

Tomas Lindholm

Lennart Simonsen

Carita Wallgren

White & Case

The M&A capacity at White & Case consists of two partners and 10 associates. Of the 10 associates, two are US-qualified. This year has seen the firm work with an impressive string of clients, among them Agco, which the firm advised in relation to the €600 million (\$744.3 million) acquisition of Valtra, a Finnish company that manufactures and markets tractors. The deal was overseen by partners Petri Haussila and Timo Airisto, and was completed in January 2004.

Haussila was also involved in representing Llecormim (the parent company of Microcell Group), as Flextronics International acquired Microcell Group. The acquisition was for a cash purchase of \$80 million, with the added incursion of \$120 million of liabilities. Associate Marko Wuorinen participated in the deal. The firm's Stockholm and Helsinki offices advised the Metso Corporation in the divestment (conducted through an auction procedure) of its compaction and paving business unit, Dynapac, for a consideration of about €275 million to Altor, a Nordic private equity fund.

And in October 2003, White Case represented SysOpen, a Finnish provider of information technology expert services and software, in connection with its merger with the Novo Group, a leading provider of information technology services in Finland. The combined company will have a market capitalization of about €176 million, and created one of Finland's largest providers of information technology services, both in terms of net sales and number of employees.

Key contact partners

Timo Airisto
Petri Haussila

Borenius & Kempainen

Borenius & Kempainen is a strong firm that some clients and competitors say is in the ascendant. A glance at some of the companies that it advises – 3i Finland and Coca-Cola – would seem to support this view.

In recent months the firm's eight partners and 25 associates have acted for, among others, Timberjack, in connection with the creation of a joint venture with Omoy. The firm also acted as legal counsel to the 3i Group and Nordea Capital as they acquired Empower Holding from PVO and Vattenfall. Both of these deals were fronted by partner Nina Wilkman.

The firm's M&A practice conducts its business in Finnish, Swedish, English, German and French.

Key contact partners

Ari-Pekka Saanio
Jyrki Tähtinen
Nina Wilkman

Waselius & Wist

Based in Helsinki and led by name partner Jan Waselius, Waselius and Wist's M&A practice has welcomed three new recruits over the last year: partner Mikko Eerola, and associates Tuomas Tikkanen and Sami Martola.

Name partners Tarja Wist and Jan Waselius are highly regarded in this area, and have led the firm through a series of high-value deals over the last period. These have included representing the TXU Europe Group in connection with the €210.5 million (\$261.1 million) sale of 100% of the issued shares of Eastern Norge Svartisen to a holding company. Tarja Wist acted on the deal along with Márten Knuts.

The firm has also advised Thermia on a €16 million sale of shares in Componenta, and was also mandated by Hydro Aluminium to guide it through the increase of its shareholding in Salko Aluminium from 24.9% to 63%.

Waselius & Wist conducts business in Finnish, Swedish, English, German and French.

Key contact partners

Mikko Eerola
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