

C/M/S/ Cameron McKenna



Making a difference



Strong
performance



We continually ask ourselves: ‘if we do this, how will it benefit our clients?’ This report looks at the answers we have come up with over the last year and how we’ve aimed to provide a better service for our clients.

Service that requires us to think differently about how to provide solutions. Service that grows out of stronger relationships, greater knowledge and clearer communication. Service that makes us look at how we work on the inside, to make sure that we really get it right on the outside.

And, service that comes with a smile.

The following pages summarise significant highlights of the past year: ground-breaking deals and awards won. We can demonstrate with confidence that we really are striving to do things differently and to fulfil our promise of ‘better solutions, clearly delivered’.

Dick Tyler
Managing Partner



Superior service

Over the past year, we've worked with some of the world's leading organisations, including 107 companies in the FTSE 350.

We advised

- **ABN AMRO Capital** on seven major deals, with a total value of £1.2bn.
- **American Express** on major disputes over transaction liability.
- **Aon** in the successful defence of allegations of breach of contract/negligence made against it in connection with its placement of the reinsurance of the so-called '77 Energy Cover'.
- **Aspire Defence** to upgrade and provide a range of services to the Army's garrisons at Aldershot and around Salisbury Plain.
- **Astex Technology** on its merger with Berlin-based oncology specialist, MetaGen Pharmaceuticals.
- **BAA** on airport development plans for the South East.
- **Bridgepoint Capital** on its investment in international beauty products company, Molton Brown.
- **BP** on the sale of its interests in the Ormen Lange gas field, offshore Norway and related Langeled gas export pipeline to DONG, the Danish national oil and gas company, for \$1.2 billion
- **Cairn Energy** on the negotiation of a major oil sales contract with the nominee of the Indian Government.
- **Centros Miller** on the development agreement with Portsmouth City Council for the redevelopment of the Tricorn Centre.
- **Crest Nicholson** on the harbourside development in Bristol.
- **The Department for Transport** on the review committee for Crossrail, London's key infrastructure project.



- **Enterprise Inns** on a securitisation of the Unique Pub Group in an amount of £563 million.
- **Erste Bank** on competition litigation surrounding its purchase of the former Hungarian state-owned bank, Postabank.
- **GE Insurance Solutions** on issues arising from their book of satellite reinsurance business and asbestosis liabilities in Europe.
- Investors on the sale of the **Hilton** hotel in Prague, the largest single asset transaction in the Czech Republic at the time.
- **Hunting**, the oil and gas services company, on its acquisition of a 36% shareholding in Gibson.
- **Imperial College**, London on one of the world's largest industry collaborations (in financial terms) to construct a new Medical Research Facilities and Imaging Centre
- **Incepta Group** on the raising of new equity capital.
- **John Laing** on a joint venture with the **Commonwealth Bank of Australia** to co-invest in a range of hospital and road projects in the UK and mainland Europe.
- **Lloyds TSB** on the acquisition of Robert Dyas by Change Partners Capital and on the acquisition of a £2.5 billion (risk weighted asset) corporate loan portfolio from Danske Bank.
- **National Australia Bank** on the £1 billion disposal of its Irish operations to Danske Group.
- **Northumbrian Water** on a large, innovative securitisation in an amount of £248 million.
- **Pendragon**, the UK's leading car retailer, on the acquisition of CD Bramall.
- **Royal Bank of Scotland** on its funding of the management buy-out of the Boosey & Hawkes Instrument Division.
- **Sumitomo Mitsui Banking Corporation** on the Chiltern Railways' London - Birmingham upgrade, which was the first time this form of private capital has been used for major infrastructure work in the rail industry.
- **Swiss Re, Employers Re, St Paul, XL Re, Hannover Re and Chubb Re** in the arbitration with the Society of Lloyd's relating to the £500 million insurance of the Lloyd's New Central Fund.
- **Taylor Woodrow** on the sale of St Katharine's Estate and adjoining K2 property at London's Tower Bridge.
- **The Wellcome Trust** on a major freehold sale in London's Knightsbridge.
- A consortium of banks on the acquisition of 24 Polish shopping malls.

Closer teamwork



We didn't just do deals, we got to know our clients and understand their businesses. It paid off.

BAA

We have acted for BAA for over 25 years. We are now advising them on the proposed second runway for Stansted. This project follows our previous work for BAA on Heathrow Terminal 5 and the original Stansted airport development.

Informa Group

Our 17-year relationship with Informa Group reached new heights when teams from across the firm advised on three major deals in double-quick time. The deals included a placing to raise new equity; the acquisition of PJB Publications within

just one month of initial instructions; and the merger of Informa with Taylor & Francis Group to create T&F Informa plc.

Enterprise Inns

Enterprise Inns has come to us for all its major fund raisings, bank refinancings and acquisitions since it was formed in 1989. Last year, we completed a further three deals for Enterprise – the placing of eight million new shares, the sale of 241 pubs and the acquisition of The Unique Pub Company.



Advent International

Advent appointed us for our expertise in private equity and our strength across Central and Eastern Europe (CEE). We have worked with Advent on some of the most exciting deals in the CEE region. These included *Acquisition Monthly's* 'Emerging Market Deal of the Year 2004', the acquisition of the Bulgarian Telecoms Company (the largest private equity deal ever to take place in Eastern Europe) and the first ever public-to-private leveraged buy-out in Romania.

National Grid Transco

We have advised long-standing client National Grid Transco since it floated in 1995. We advised on its flotation and have acted on all major transactions since, including acting as lead counsel on one of the biggest transactions of 2004 – the disposal by competitive auction of four of its gas distribution networks. After 18 months of hard work, it all came down to a 90-minute period on August Bank Holiday Monday, in which all four transactions were signed.

Firmer alliances

CMS, our alliance of major European law firms, continued to go from strength to strength:

- Spanish law firm, Albiñana & Suárez de Lezo (ASL), joined the CMS alliance. An established corporate and finance firm, ASL has over 75 legal and tax advisers in offices in Madrid, Marbella and Seville.
- CMS Lexcelis merged with Brussels-based corporate specialists DeBacker in a move that has doubled the size of the CMS alliance's Belgian arm. The new firm is called CMS DeBacker.
- CMS Hasche Sigle acquired a team of 65 lawyers in Cologne making it Germany's second largest law firm by number of fee-earners.
- We established a specialist German-speaking practice in our Prague office with CMS Reich-Rohrwig Hainz and CMS Hasche Sigle.
- A survey in Dutch magazine *Management Team* rated CMS Derks Star Busmann as the best legal firm for customer satisfaction in the Netherlands.
- We moved into office premises in Moscow with CMS Hasche Sigle and CMS Bureau Francis Lefebvre. The three firms in total have some 60 plus lawyers.
- We established a project office in Sofia.



Stronger relationships

If we don't ask our clients what they think, we don't know what's important to them or how we're doing.

So, around 18 months ago, we devised a formal feedback process that we're now rolling out throughout the firm.



Our feedback programme is more than just ad hoc surveys that go nowhere. We provide detailed questionnaires and conduct structured interviews that invite our clients to score our performance. It allows us to measure accurately how we're looking after our clients, so that we can improve our service and strengthen our relationships.

Our feedback programme measures:

- our understanding of client needs
- the quality of our advice
- our ability to manage work
- our value for money
- our clients' overall satisfaction.

Clients are asked to score us on a scale of one to five, with five being excellent service. Where we do not achieve a high standard, we put in place measures to improve performance and we closely monitor progress to ensure our service improves. Where we score well, we don't sit on our laurels but strive to do just as well – or better – next time.

Our target for client satisfaction is an average score of **4.5 out of 5 by 2006. In 2004, we reached 4.2.**

It's a big reason why in the *Legal Director 2004* client satisfaction survey of the top 30 UK law firms, we came third, outperforming the other firms in every category of client satisfaction and service delivery.

But it's not just our clients who tell us what they think. Importantly, we also ask each other. This internal feedback helps us to manage our teams more effectively. Again our target for internal colleague satisfaction is an average score of **4.5 out of 5 by 2006. In 2004, we reached 4.1.**



“Absolutely professional, personal,
eager to please.”

What one client had to say about our people.





Better solutions

We found better ways to share our learning and expertise with our clients and with each other.



- Law-Now, our free online news and information service continues to be one of the most comprehensive and popular sites in the legal world. It provides fast and accessible information that's both personalised and interactive.
- Our programme of 50 open seminars was free to clients and contacts of the firm. They covered a whole range of subjects, from money laundering to reinsurance.
- Over 50 of our lawyers were seconded either to clients or to other CMS firms. Clients welcome these secondments as they provide valuable in-house expertise 'on tap' and give our people a much better understanding of client organisations.
- Through our secure dealrooms, we share confidential documents with clients and other parties – all information is accessible 24/7.
- Our Real Estate team unveiled its *Standard European Lease*, a unique product aimed at investors, property financiers and local markets throughout Europe.
- Spotting a real need for up-to-date data, our Central and Eastern European (CEE) team launched an online publication covering which private equity funds are doing what – and where – in CEE.
- We developed individual commitment statements for a number of clients that give realistic expectations of exactly what we will deliver to them – and how.



Developing people

We placed how we organise, coach and develop our people and teams at the very heart of our strategy.



- We believe in clarity. That's why Lynne Truss, author of *Eats, Shoots and Leaves*, came to remind us of the importance of accurate punctuation and clear communication.
- We developed a comprehensive personal development programme, geared around understanding clients and their business. There's no 'one size fits all' approach to this initiative. All training is directed to where the need is.
- Our Industry Focus Groups help us learn more about our clients' industries, their key business issues and essential qualities needed by external advisers.
- We continued to give our lawyers the knowledge they need with our online client relationship toolkit.
- 'the exchange' is a new e-learning and training facility where our people can meet, trade ideas, read and research. It's all geared to help deliver a better service.
- Charles Currier, Darius Mioduski, Guy Pendell, Helen Rodwell, James Miller, Jason Zimmel, Keith Webster, Louise Mary, Nick Beckett, Paul Smith, Peter Mansfield, Sarah Hanson and Stephen Hewett all became partners.
- Claire Reid won the title of 'CMS Young Lawyer of 2004' for her paper on covered bonds.
- Taking regular flights to the UK for study weekends, Anna Proshina managed to fit a distance learning course around her full workload in Moscow.
- Warsaw's Pawel Debowski scooped the accolades in the prestigious CEE Real Estate Quality Awards for 2003.

Giving back



We devoted over 200 days to helping others in the last 12 months through charitable giving, pro bono advice and community involvement.



- People from all over the firm enthusiastically embraced fund raising for our 2004 chosen charity, Great Ormond Street Hospital. Events they took part in included: gym challenges, Great Wall of China treks, rattling tins at the British Grand Prix, sponsored sky dives, quiz nights, a gala dinner and a karaoke evening. Altogether we raised nearly £35,000.
- Over 120 of our people gave their time to support our local community. They volunteered in a number of ways:
 - help with literacy and numeracy at a local primary school
 - teenager mentoring
 - careers workshops
 - professional advice to local community groups.
- Providing legal services on a pro bono basis is central to our community effort:
 - our volunteers regularly advise through local law centres
 - several trainees are helping to establish a new European Pro Bono Network
- we act as legal advisers to a number of charities and community groups, including a London enterprise agency, a new Credit Union in Hackney and a Dublin-based charity providing camping holidays for children with cancer.
- Fraser Ashman was named volunteer of the year by the East London Business Alliance (ELBA), one of the firm's charitable projects.
- We made great strides in significantly reducing the amount of waste we produce across the firm.
 - we recycled over 317,918 kilograms of paper and card which conserved over 5,400 average-sized trees
 - we reduced landfill by 1,590 cubic metres (the size of 51,000 storage boxes)
 - we recycled 26,160 kilograms of glass (equivalent to 31,000 bottles)
 - we donated to charity/recycled 2,000 computer base units, 300 monitors, 58 printers and 338 toner cartridges.



Better and better



There's no question that focusing on our clients makes us better at our jobs. Indeed, from building 'bespoke' teams to delivering training that's centred on client requirements, we've added considerably greater value to the service we offer.

We will continue to add value to our clients through building our knowledge of our clients' industries, our knowledge sharing and in training ourselves. Because it's only by getting it right on the inside, that we can we get it right on the outside.

And as our European CMS alliance expands and flourishes, so our reputation as international lawyers goes from strength to strength. Each and every one of us will work hard to fulfil our promise of 'better solutions, clearly delivered'. We all look forward to the many exciting challenges from the work our clients give us in the coming years.

Richard Price
Senior Partner

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UNITED KINGDOM

London
CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London EC1A 4DD
T +44 (0)20 7367 3000
F +44 (0)20 7367 2000

Aberdeen
CMS Cameron McKenna LLP
Migvie House
North Silver Street
Aberdeen AB10 1RJ, Scotland
T +44 1224 622002
F +44 1224 622066

Bristol
CMS Cameron McKenna LLP
Merchants House North
Wapping Road
Bristol, BS1 4RW, England
T +44 1179 300200
F +44 1179 349300

Edinburgh
CMS Cameron McKenna LLP
101 George Street
Edinburgh, EH2 3ES, Scotland
T +44 131 220 7676
F +44 131 220 7670

BULGARIA
Sofia
CMS Cameron McKenna
EOOD
Tzar Osvoboditel Blvd. 14
1000 Sofia, Bulgaria
T +359 2 921 99 21
F +359 2 921 99 29

CHINA
Beijing
CMS Cameron McKenna
Room 601-89 6th Floor
Executive Centre
W3 Oriental Plaza
No.1 East Chang An Avenue
Dong Cheng District
Beijing 100738, P.R. China
T +86 10 8518 2585
F +86 10 8518 1820

Hong Kong
CMS Cameron McKenna
Unit 5409 Central Plaza
18 Harbour Road
Wanchai
Hong Kong, P.R. China
T +852 2846 9100
F +852 2845 3575

Shanghai
CMS Bureau Francis
Lefebvre in alliance with
CMS Cameron McKenna LLP
and CMS Hasche Sigle
Kerry Centre
9th Floor, Suite 905
1515 Nanjing Road West
Shanghai 200040, P.R. China
T +86 21 6289 6363
F +86 21 6289 9696

CZECH REPUBLIC
Prague
CMS Cameron McKenna v.o.s
Karolíny Svetly 25
11000 Praha 1
Czech Republic
T +420 2 9679 8111
F +420 2 2109 8000

HUNGARY
Budapest
Ormai és Társai
CMS Cameron McKenna LLP
YBL Palace, 3rd Floor
Károlyi Mihály utca, 12
H-1053 Budapest, Hungary
T +36 1 483 4800
F +36 1 483 4801

POLAND
Warsaw
CMS Cameron McKenna
Pawel Debowski Poilka
Komanandytowa
Warsaw Financial Center
ul. Emilii Plater 53
00-113 Warsaw, Poland
T +48 22 5205 555
F +48 22 5205 556

ROMANIA
Bucharest
CMS Cameron McKenna LLP
Cristina Brinzan Law office
Bulevardul Aviatorilor 52
Suite 5, Sector 1
7000 Bucharest, Romania
T +40 21 2316470 76
F +40 21 2316477 78

RUSSIA
Moscow
CMS Cameron McKenna LLP
Kesco House
Korobeynikov per. 1, bldg. 1A
119034 Moscow, Russia
T +7 095 258 5000
F +7 095 258 5100

SLOVAKIA
Bratislava
CMS Cameron McKenna v.o.s
and CMS Reich-Rohrwig
Hainz in association with Judr.
Jaroslav Ruzicka
Kapitulská 15
811 01 Bratislava, Slovakia
T +421 254 433 490
F +421 254 435 906

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