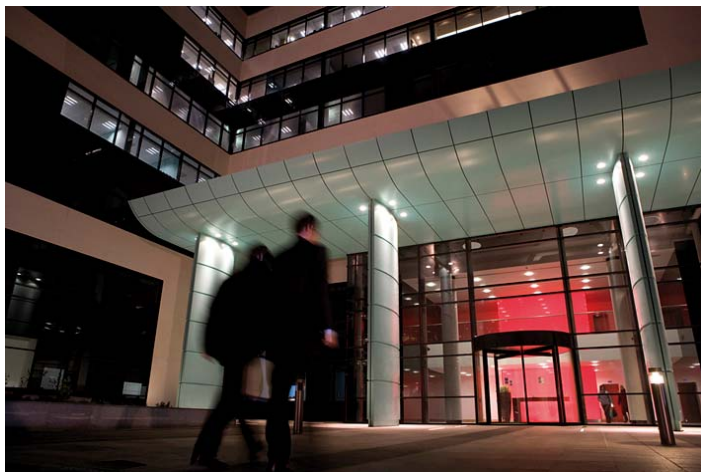


# AN OVERVIEW

FROM THE BUSINESS SERVICES GROUP



The Corporate Services Group at Paul & Williamsons deals with all aspects of corporate and corporate finance law. We are recognised for our work in corporate finance transactions, the geographic reach of which extends throughout the UK and internationally. The work transacted includes mergers and acquisitions, MBOs and MBIs, private equity and venture capital investments, reconstitutions, restructuring, insolvency and joint ventures.

The Group includes the leading Scottish team of corporate finance lawyers operating in the oil and gas sector. Specialist skills are harnessed through our focus groups which target both specific industry sectors and particular legal fields. These groups include Energy, Banking and Intellectual Property & Technology.

## Client Base

The Group has an enviable list of top quality clients, including:

Aberdeen College, Aberdeen FC, Acteon Group, AMEC, ASCO, BP, Balmoral Group, Bank of Scotland, Barclays Bank, CHC Scotia, Dana Petroleum, FirstGroup, Hydrasun, ITS Group, Lime Rock Partners, Maersk, Maven Capital Partners, Nautronix, Nessco, Noble Drilling, NOV, Petrofac Facilities Management, Royal Bank of Scotland, RWE Dea, Shell, Silverstone Energy, Sterling Resources, Stewart Milne Group, Talisman Energy, Viking Supply Ships and Vroon Offshore.

Deal activity in the oil and gas service sector has more or less mirrored the fall and rise of the crude oil price. The fall from the +\$140 per barrel high of August 2008 coupled with the lack of credit resulted in a significant drop in the level of corporate transactions

being completed in the first two quarters of 2009. During this period the only acquirers tended to be energy sector private equity firms who had raised their funds in the first half of 2008. The climb in the oil price during October 2009 coupled with more realistic vendor expectations and a slight easing in the credit market suggests that the first half of 2010 may see an increased deal-flow. It is likely that a significant proportion of those deals will be focused on the Middle East, the Far East and West Africa as North Sea based service companies continue their expansion into more profitable fields.

## Deals Highlights

A number of recent transactions completed by our teams are highlighted below:-

**Sterling Resources Limited** - acted for Sterling Resources (UK) Ltd in the sale to RWE Dea UK SNS Limited of a 15% interest in Blocks 42/13a and 42/12a (covering the Breagh gas discovery) and various percentage interests in surrounding exploration Blocks. Sterling Resources (UK) Ltd continued to hold a 30% interest in all of the Blocks to which the sale relates.

**Amor Group** - advised the newly established Amor Group and its management team in the £30 million MBO of the Pragma and Real Time businesses from Sword Group SE, the French listed IT company. As a result of the deal Amor Group has become the largest independent IT company in Scotland.

**PanGeo Subsea Inc** - advised Lime Rock Partners in a US\$10 million growth capital investment into PanGeo Subsea Inc to support ongoing commercialisation of the Newfoundland based company's innovative acoustic imaging technology and to increase its product offerings.

**AMEC Group plc** - acted for AMEC in its share acquisition of the UK-based asset optimisation consultancy services company Performance Improvements (PI) Group Limited.

**ITS Tubular Services (Holdings) Limited** - acted for ITS in connection with US\$55 million growth capital investment by Lime Rock Partners and US\$175 million multi-currency revolving credit facility from Bank of Scotland plc and Clydesdale Bank PLC.

**ASCO Group Limited** - acted for ASCO in its acquisition of CSM Group's oil and gas logistics operations in Azerbaijan and Trinidad.

**Flotech Holdings Limited** - acted for Tendeka BV in the acquisition of Middle East well completions business Flotech Holdings Limited.

**Cylotech Limited** - acted for management and institutional shareholders in sale of entire issued share capital to M-I Swaco. Cyclotech is a specialist provider of separation technologies and processes to the upstream oil and gas industry.

**Aupec Limited** - acted for shareholders of Aupec, an Aberdeen based energy sector focused economic consultancy in the sale of the entire issued share capital to The Parkmead Group plc.

**Subocean Group Limited** - acted for this major service provided to the marine renewables sector in a £42 million debt and equity fund raising from HSBC and LDC.

**Oceanteam Subsea Services Limited** - acted for management team in the MBO of this support provider to offshore installations in the oil and gas and renewables markets.

**Electro-Flow Controls Limited** - acted for institutional shareholders in £10 million MBI of this provider of advanced controls and mechanical handling solutions to the global energy market.

**Town & County Motors Limited** - acted for Town & County Motors Limited in the acquisition of certain of the business and assets of Manor Oak (HMG) Limited. As part of the acquisition Town & County became the Honda franchised dealership in Aberdeen.

#### Independent Recommendations

Chambers UK and Legal 500 conduct independent research on law firms. The 2009 findings for Paul & Williamsons are as follows:-

#### Corporate Finance - Chambers UK

This 11-partner practice is the pre-eminent corporate finance presence in Aberdeen, the hub of Scotland's oil and gas market. Its focus on the oil and gas industry means the firm has seen a steady flow of work, despite the current economic climate. Predominantly M&A-oriented, this efficient, high-calibre team undertakes domestic and international transactions for large corporations. Illustrating its cross-border capabilities, the group recently represented Lime Rock Partners as principal investor in a USD60 million shares and bond issue by Oslo stock exchange-listed company Reservoir Exploration Technology. It also acted for ASCO Group on its acquisition of CSM Group's oil and gas logistics operations in Azerbaijan and Trinidad, and was lead adviser to LMS Capital as majority shareholder in the £143 million sale of Energy Cranes to a Close Brothers Private Equity vehicle.

#### Banking & Finance - Chambers UK

This Aberdeen-based firm wins acclaim for its commitment to its local market and the oil and gas industry. It also offers the full range

of services to banks, with recent highlights including advising Bank of Scotland on the provision of £80 million in debt and equity to Integrated Subsea Services, and advising RBS on providing term loan credit facilities to SBS Marine. Sources say "These are strong individuals who work as a cohesive team." "A commercial outlook and a high degree of technical excellence." Jamie Stark is thorough, hard-working and "a pleasure to work with." Scott Allan is praised for his approachable manner and expertise.

#### Projects & Energy: Oil & Gas - Chambers UK

This oil and gas team is able to draw on the firm's leading corporate expertise to handle a range of oil and gas infrastructure work, acquisitions and divestitures. Its clients include BP, Maersk, Shell and Petrofac. Bruce McLeod delivers "consistently robust and considered advice, and he is infinitely flexible in his approach." He led the team advising Silverstone on its acquisition of AIM-listed Granby Oil & Gas for £23 million. He also advised Silverstone on its subsequent merger with Canadian independent Storm Ventures and on the acquisitions of various assets from ConocoPhillips, Statoil and Centrica. Robin Clarkson typically undertakes the corporate aspects of oil and gas work. He acted for Sterling Resources on agreements for the disposal of several interests offshore Romania.

#### Corporate and Commercial - Legal 500

Paul & Williamsons' corporate practice remains the one to beat in Aberdeen. The 'simply outstanding' team advised the shareholders of Integrated Sub-Sea Services on its £143m sale and subsequent rollover investment in ISS Holdings; LMS Capital as majority shareholder on the sale of Energy Cranes International to a Close Brothers Private Equity vehicle; and Vroon on its acquisition of Nomis Shipping. One client comments the team is 'without doubt the most knowledgeable and responsive I've ever used'.

#### Banking & Finance - Legal 500

Led by Jamie Stark, Paul & Williamsons' increasingly international finance practice is unsurprisingly strong in the energy sector. The 'seriously good' team advised Bank of Scotland on a £80m facility to Integrated Subsea Services. Scott Allan and John Kennedy both come highly recommended.

#### Projects & Energy: Oil and Gas - Legal 500

Oil and gas runs through the very heart of Paul & Williamsons. Its upstream practice is led by industry 'guru' Bruce McLeod, and recently advised Sterling Resources on the disposal of its interests in the onshore South Craiova concession, and the Midia and Pelican offshore blocks. Other clients include Shell, BP and Maersk. Robin Clarkson is recommended.

#### Contact Details

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