



Myths and Truths about Listings on the Frankfurt Stock Exchange

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“A force across the world...” *Chambers & Partners*

- Clifford Chance has deliberately pursued an international strategy that has seen our firm grow to 30* offices in 21 countries, with significant strength in all legal disciplines across the globe.
 - Providing full-service common law and civil law capability
 - Combining strong domestic and international practices across Europe, the Middle East, Asia and the Americas
 - The majority of our lawyers are nationals of, and qualified in, the country in which they are located
- A single partnership operating through an integrated network.
 - Our ability to share and leverage our accumulated know-how across our network is founded on a "one firm" approach, creating an environment where our lawyers work closely with colleagues from around the world
- Strong relationships with top law firms in jurisdictions where we do not already have a presence.
 - We have strong relationships with high-quality local law firms in most other jurisdictions and can co-ordinate advice on behalf of law firms you would like to involve in this project



Amsterdam	New York
Barcelona	São Paulo
Bucharest	Washington DC
Budapest	
Brussels	Abu Dhabi
Düsseldorf	Dubai
Frankfurt	Riyadh
Kyiv	
London	
Luxembourg	Bangkok
Madrid	Beijing
Milan	Hong Kong
Moscow	Shanghai
Munich	Singapore
Paris	Tokyo
Prague	
Rome	
Warsaw	

* Plus a co-operation agreement with Al-Jadaan & Partners Law Firm

The firm is structured around six global practice areas delivering a full service capability

■ Banking & Finance

- noted for our core banking, securitisation, project and asset finance, derivatives and regulatory practices

■ Capital Markets

- market leading debt and equity capital markets expertise, and a strong transatlantic securities practice

■ Corporate

- leading practice for completing major cross-border deals
- expertise focusing on: M&A, corporate finance, commercial contracts, competition/antitrust, funds, investment banking, insurance and private equity

■ Litigation and Dispute Resolution







- world's largest and most comprehensive practice, with over 680 advisers covering all major jurisdictions
- includes extensive intellectual property expertise

■ Real Estate

- sophisticated development, investment and real estate finance

■ Tax, Pensions and Employment

- highly rated domestic and international tax expertise, with the largest international tax group of any single law firm
- lead player in the fields of pensions, employment, remuneration and share schemes

 CLIFFORD CHANCE	Tier 1: Chambers & Partners Global 2008 – Banking & Finance “The firm is a global finance machine, with strong all-round capabilities and a hugely influential practice in the fields of acquisition and leveraged finance and corporate lending.”
 CLIFFORD CHANCE	Tier 1: Chambers & Partners Global 2008 – Capital Markets “With its ‘immense resources and fantastic coverage that spreads across the world’s financial hubs,’ Clifford Chance is a clear favourite among international clients to advise on all aspects of capital markets transactions in Europe, the Middle East, Asia and the USA.”
 CLIFFORD CHANCE	Tier 1: Chambers & Partners Global 2008 – Corporate/M&A “...a truly global law firm that, in today’s thriving global M&A market, can get its arms around the most technically and geographically challenging of deals.”
 CLIFFORD CHANCE	Tier 1: Chambers & Partners Global 2008 – Dispute Resolution “Clients benefit hugely from Clifford Chance’s sweeping geographic coverage, extensive regulatory expertise and solid foundations in the corporate and financial sectors.”
 CLIFFORD CHANCE	Tier 1: Chambers & Partners Europe 2008 – Real Estate “The unanimous verdict of the market is that this magic circle giant is one of the ‘undisputed leaders’ in the field and benefits from an extensive European reach envied by even its closest rivals.”
 CLIFFORD CHANCE	Tier 1: Chambers & Partners Global 2008 – Tax “The largest firm in the world by revenue and number of lawyers, it is no surprise that Clifford Chance’s tax capabilities are truly international in scope and world-class in quality.”

Myth about Financial Reporting

“Financial Reporting requirements are burdensome and time limits are hard to meet.”

Truth about Financial Reporting

According to EU laws on all EU regulated exchanges:

■ Annual Financial Report

- To be audited
- To be published within 4 months

■ Semi-annual Financial Reporting

- To be reviewed, may be audited
- To be published within 2 months (only for shares and certain debt instruments)

■ Quarterly Financial Report

- May be reviewed or audited
- To be published no later than 6 weeks before end of next half-year (only for shares)

Truth about Financial Reporting (cont'd)

Special treatment on FSE:

■ Annual Financial Report

- Russian issuers may apply for exceptions, also in relation to 4 month publication requirement

■ Semi-annual and Quarterly Financial Reporting

- On Prime Standard also for GDRs
- Within 3 months for Russian issuers of GDRs

Myth about Language Regime

“On FSE I will have to prepare all documents in German.”

Truth about Language Regime

- Prospectus:

Russian issuers may prepare the prospectus in English only, with a German language summary attached.

- Financial Reporting:

Russian issuers may publish all financial reports in English only.

- Post-listing requirements:

Russian issuers may make post-listing publications (mostly) in English only.

Myth about Free-float requirement

“On FSE I need to list at least 25% of my entire issued share capital.”

Truth about Free-float requirement

- General rule:

The shares must be sufficiently distributed in public hands in one or more EU/EEA member states.

- Assumption:

Sufficient free-float when at least 25% of the total share capital that is admitted to trading is publicly held.

- Exceptions:

Less than 25% may suffice in case of very large issues.

Myth about Corporate Governance

“Russian issuers are subjected to the German Corporate Governance Code.”

Truth about Corporate Governance

- The German Corporate Governance Code applies only to German listed stock corporations. They are required to make an annual „declaration of conformity.“
- Russian stock corporations listed on FSE are not subject thereto.
- Voluntary application of German Corporate Governance Code may be considered.

Myth about costs

“Costs of a listing on FSE are unclear and may be higher than elsewhere.”

Truth about costs

- Admission and Listing Fees of FSE: Are – unlike other exchanges – fixed and very low in absolute terms.
- Advisory Fees: Due to the competitive situation and lower cost base in Frankfurt, legal and accounting fees tend to be considerably lower than elsewhere.
- Banks' commissions: Depending on issue volume investment banks' commission are lower than elsewhere.

Thank you for your attention –
any questions?

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