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Fortis Completes Acquisition of ITC for US$11.3 Billion

Davies advised Fortis Inc. in its US$11.3-billion acquisition of ITC Holdings Corp., the largest independent electric transmission company in the United States. This transformative transaction, structured as a cash and share exchange merger, made Fortis a top-15 North American utility.

In connection with offering shares as consideration, Fortis obtained the approval of its own shareholders, became a U.S. public company and listed on the New York Stock Exchange. To finance the cash portion of the purchase price, Fortis secured acquisition bank financing, executed a US$2-billion debt capital markets transaction and brought in a minority equity partner for US$1.2 billion.

Fortis today has assets of approximately $48 billion and 2016 revenue of $6.8 billion. It serves over 3 million utility customers in five Canadian provinces, nine U.S. states and three Caribbean countries.

The Davies team on this transaction included James Reid, Robin Upshall, Matthew Rosen and Emily Uza (M&A/Securities); Carol Pennycook (Finance); and Raj Juneja and Kimberly Brown (Tax).