

## Home

### Making an impact that matters

#### Delivering service that matters

Cognitive computing = smarter, faster choices

#### Global capabilities and China's State Grid

Cyber resilience begins in the boardroom

HP completes largest Workday HCM implementation

Innovating the audit, attracting talent

Equipping clients to manage, recover from crises

Norwegian oil company builds a platform for growth

Irish pharma company's dramatic turnaround

Drivers and the Internet of Things

Data privacy and security

Risk-intelligent approach promotes quality

### Building careers that matter

### Having influence that matters

## High-voltage expansion

# State grid's landmark acquisitions send a jolt through global electricity industry

State Grid Corporation of China (SGCC) didn't exist before December 2002. Today, based on revenues, it's the largest utility in the world and ranks seventh on the Fortune Global 500®.

When you're constructing and operating power grids in one of the most rapidly developing major economies on earth—and doing it effectively with a focus on safety and sustainability—growth comes with the territory. SGCC's success is about much more than being in the right place at the right time, though. Like many Chinese enterprises, it's an active and direct investor in foreign businesses, consistent with the nation's "Go Out Policy."

That's where Deloitte comes in.

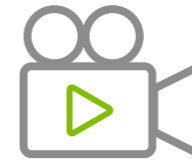
This past year, Deloitte China was engaged by SGCC to provide a suite of advisory services—including financial and tax due diligence, valuation and structuring services, and negotiation support—to inform and facilitate SGCC's purchase of a 35 percent stake in an Italian energy company, CDP Reti, from Cassa Depositi e Prestiti (CDP). A year earlier, Deloitte China provided similar support for the purchase of a 19.9 percent stake in Australian electricity supplier SP AusNet, as well as SGCC's purchase of 60 percent of SPI Australia's energy infrastructure.

"These transactions demonstrate the impact and value of Deloitte's multidisciplinary model, our cross-border reach, and our knowledge of the energy and resources industry," says Eric Leung, Southern Region Functional Leader of Financial Advisory Services, Deloitte China. "We not only are well positioned to meet the complex needs of large organizations such as State Grid, but we also have a solid track record of helping Chinese companies achieve the foreign expansion they desire."

The US\$2.81 billion acquisition of CDP Reti was, at the time, the largest ever made by Chinese investors in a nonlisted European company. It also was the largest single overseas investment made by SGCC and the largest investment made in Italy by a Chinese enterprise. The acquisitions of the Australian power companies combined to be the largest-ever outbound investment in China's power and infrastructure sector.

Accounting Advisory, Tax, Financial Advisory, Consulting, and Enterprise Risk Management professionals from Deloitte China received assists from member firms in Australia, Italy, and the UK during the engagements. "When you can reach out to people who know the laws and customs in other countries, and are familiar with the companies involved in the transactions, it makes the process infinitely more manageable," Leung explains.

In addition to serving SGCC on landmark cross-border acquisitions that are transforming the profile of the global electricity transmission and distribution industry, Deloitte China was selected by State Grid Xinyuan Company Ltd. (SGXY), a wholly owned subsidiary of SGCC, to provide Accounting Advisory services this past year in preparation for its implementation of a new financial standard.



[Watch](#) Vanessa Borchers, Global Clients & Industries Leader, discuss why Deloitte's strengths and differentiation matter to clients.



Deloitte named an IT Consulting Leader in the Energy & Utilities Industries by Kennedy.

Source: Kennedy Consulting Research & Advisory; Information Technology Consulting to the Energy and Utilities Industry 2014. © 2014 Kennedy Information, LLC. Reproduced under license.



"When you demonstrate to clients that you can be counted on, they will consider you for their other business challenges. That gives Deloitte an advantage because the Deloitte network is composed of world-class businesses that work well together," Leung says. "Meeting multiple service needs is how we build long-term trust and long-term relationships, which are especially valuable with large, market-leading clients."

## Contact us

[GlobalReport@deloitte.com](mailto:GlobalReport@deloitte.com)

## Learn more

[www.deloitte.com/GlobalReport](http://www.deloitte.com/GlobalReport)

## Stay connected



#GR2015

### Produced by DTTL Global Brand & Communications

“Deloitte”, “we”, “us”, and “our” refer to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

“Deloitte” is the brand under which tens of thousands of dedicated professionals in independent firms throughout the world collaborate to provide services to select clients. Deloitte provides audit, consulting, financial advisory, risk management, tax, and related services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries and territories, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte’s more than 220,000 professionals are committed to making an impact that matters.

This publication contains general information only, and none of DTTL, its member firms, or their related entities (collectively, the “Deloitte Network”) is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

For the convenience of the reader, a member firm of DTTL in a particular country is identified in the body of this report by the word “Deloitte” coupled with a country name (e.g., Deloitte Greece), in lieu of using the actual legal name of the member firm of DTTL in that country. In many countries, services may be provided by the actual member firms but could also be provided in addition by—or solely by—subsidiaries or affiliates of the DTTL member firm in that country, which are often organized as separate legal entities.

Specifically, with respect to the United States, Deloitte LLP is the member firm of DTTL and does not provide services. Services in the United States are provided by Deloitte LLP’s subsidiaries; including Deloitte & Touche LLP, Deloitte Tax LLP, Deloitte Consulting LLP, and Deloitte Financial Advisory Services LLP. All of these US entities are referred to in this publication as “Deloitte United States.” Certain services may not be available to attest clients under the rules and regulations of public accounting. Additionally, for the purposes of this publication only, individuals are identified by their name and the nomenclature discussed above for referring to a DTTL member firm, whether that individual is a partner, principal, shareholder, member, director, or employee of that DTTL member firm or one or more of its subsidiaries or affiliates (e.g., Paige Flanagan, Deloitte Ireland).