

UPS Announces Agreement to Sell UPS Freight to TFI International Inc.

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UPS has entered into a definitive agreement to sell UPS Freight (UPSF) to TFI International Inc. (NYSE and TSX: TFII) for \$800 million, subject to working capital and other adjustments.

“We’re excited about the future and the opportunities this creates for both UPS and UPS Freight as part of TFI International Inc.,” said UPS Chief Executive Officer Carol Tomé. “The agreement allows UPS to be even more laser-focused on the core parts of our business that drive the greatest value for our customers.”

The decision to sell UPS Freight was reached following a thorough evaluation of the UPS portfolio, and aligns with the company’s “better not bigger” strategic positioning.

UPS and TFI International will also enter into an agreement for UPS Freight to continue to utilize UPS’ domestic package network to fulfill shipments, for a period of five years.

The transaction, which is subject to customary closing conditions and regulatory approvals, is expected to close during the second quarter of 2021. UPS expects to recognize a non-cash, pre-tax impairment charge of approximately \$500 million on its statement of consolidated income for the year ended December 31, 2020.

With an operating history of over 85 years, UPS Freight is one of the largest LTL carriers in the U.S., offering a full range of regional and long-haul solutions and an on-time delivery guarantee for all LTL shipments and is headquartered in Richmond, VA.

Goldman Sachs & Co. LLC is serving as financial advisor, and King & Spalding LLP is serving as legal advisor to UPS.

A presentation providing more detail regarding the transaction will be posted to the UPS Investor Relations website.

Source: [UPS](#)