

# **CommScope buying some of TE Connectivity ops for about \$3B**

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CommScope is buying TE Connectivity's telecom, enterprise and wireless businesses for about \$3 billion, which will help diversify its operations and broaden its geographic reach.

The businesses, made up of 65 facilities and approximately 10,000 employees, had annual revenue of about \$1.9 billion in fiscal 2014. It has a strong presence in Europe, the Middle East, Africa and the Asia-Pacific region.

TE Chairman and CEO Tom Lynch said the sale will allow the company to focus on connectivity and sensor markets, "with particular emphasis on harsh environment applications. The deal does not include subsea communications or data communications businesses owned by TE Connectivity Ltd.

TE Connectivity will use proceeds from the sale for stock buybacks, as well as acquisitions and other investments.

CommScope Holding Co. said Wednesday that it expects more than \$150 million in annual savings starting in the third year after the transaction's closing.

CommScope, based in Hickory, North Carolina, anticipates financing the transaction with cash on hand and up to \$3 billion of incremental debt.

The boards of both companies approved the deal, which is targeted to close by year's end.

TE Connectivity's stock gained \$4.48, or 6.9 percent, to \$69.11 in premarket trading.

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