

Amphenol to Acquire the OWN Segment and DAS Business Unit of CommScope

On July 18th, Amphenol announced they had reached an agreement with CommScope to purchase the Outdoor Wireless Networks (OWN) segment as well as the Distributed Antenna Systems (DAS) business unit of CommScope's Networking, Intelligent Cellular & Security Solutions Segment (NICS).

The deal, which is estimated to cost Amphenol USD \$2.1 billion in cash on hand and debt, will be paid upon closing and is estimated to occur during the first half of 2025.

According to CommScope's 2023 annual report, The OWN business segment includes:

- The innovative Mosaic™ antenna platform that became the first field-proven, radio-agnostic active-passive antenna integration solution in the industry, solving the challenges of crowded site real estate and restrictive zoning policies in the 5G era, as reflected in its steady growth in approvals and deployments worldwide.
- Super-efficient new BSA Technology that delivers up to 15% greater antenna gain at a fixed power level. This new technology enables operators to reduce power use or increase coverage, with the flexibility to employ either benefit as needed to help grow networks more sustainably.
- The PowerShift® Metro intelligent distributed power solution, which was selected for a major communication modernization project for a metropolitan transit system. It lowers the cost of ownership of localized deployments, where connecting each node to the power grip is problematic, by centralizing intelligent power distribution through existing conduits.
- The expanded HELIAX® portfolio, designed to better support rest-of-world fiber-to-the-antenna (FTTA) architectures. This includes new fiber and power distribution closures that use advanced sealing technology to simplify site deployments, improve site reliability and support a better performing network and improved user experiences.

Focused on the macro and metro cell markets, this segment includes base station antennas, radio frequency (RF) filters, tower connectivity, microwave antennas, metro cell products, cabinets, steel, accessories and CommScope's wireless spectrum management business, Comsearch. At the end of 2023, this business segment represented 15.2% of CommScope net revenues or \$0.9 billion, down from 19.5% in 2022.

The acquisition also included CommScope ERA® all-digital DAS business. Driving sustainability improvements, both in real estate savings and energy consumption, the system led the way for in-building 5G. The business deployed its first 5G metro in Milan, Italy, and has also supported numerous championship event venues, enabling wireless connectivity in most stadiums in Australia, Qatar, France, and the United States.

Part of CommScope's NICS segment, which accounted for 19.3% of their total business in 2023, up from 12.5% in 2022, the DAS business provides solutions for cellular infrastructure inside venues, campuses and enterprises.

According to Chuck Treadway, CEO, CommScope, "this transaction allows CommScope to increase focus and further strengthen its CommScope NEXT priorities with its remaining segments and business units." He added that "we believe CommScope's OWN and DAS businesses are positioned to continue to perform well under Amphenol's leadership.

Amphenol President and Chief Executive Officer, R. Adam Norwitt, commented that "CommScope provides mobile networks solutions, with advanced technologies in the areas of base station antennas and related interconnect solutions, as well as distributed antenna systems. In particular, we are encouraged that the businesses we are acquiring make up the former Andrew Corporation portfolio of products, a company with a rich history of innovation and technology leadership in the wireless industry."

The acquisition will add an additional 4,000 employees to the Amphenol family, and "further support Amphenol's long-term growth and balanced end market exposure across all areas of the electronics market."

Further discussion of the acquisition is anticipated to occur in the second quarter 2024 earnings announcement on July 24, 2024.