UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 2, 2015

COMMSCOPE HOLDING COMPANY, INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-36146**	**27-4332098**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

1100 CommScope Place, SE, Hickory, North Carolina	**28602**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code (828) 324-2200

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On January 27, 2015, CommScope Holding Company, Inc. (“Holdings”), filed a Current Report on Form 8-K with the Securities and Exchange Commission announcing, among other things, that Holdings and CommScope, Inc. (“CommScope” and, together with Holdings, the “Company”) and TE Connectivity Ltd., a Swiss corporation (“Seller” or “TE Connectivity”), entered into a stock and asset purchase agreement, pursuant to which the Company has agreed to acquire (the “Acquisition”) the Broadband Network Solutions business of Seller.

Holdings is filing this Current Report on Form 8-K in order to make publicly available certain audited and unaudited historical financial information of Seller’s Broadband Network Solutions business and unaudited pro forma financial information of Holdings reflecting the Acquisition described in Items 9.01(a) and (b) below and incorporated by reference herein.

The Acquisition is expected to close by the end of 2015 subject to consummation of contemplated financing, regulatory approvals and other customary closing conditions. These and the risks associated with the closing of the Acquisition are discussed in greater detail in Holdings’ Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Additionally, Holdings is providing the following financial information regarding Seller’s Broadband Network Solutions business for the three-month periods ended December 27, 2013 and December 26, 2014, the fiscal year ended September 26, 2014 and the twelve months ended December 26, 2014 ($ in millions):

	Quarter Ended December 27, 2013	Fiscal Year Ended September 26, 2014	Quarter Ended December 26, 2014	Twelve Months Ended December 26, 2014
Revenues, as reported	$ 464.0	$ 1,938.7	$ 417.1	$ 1,891.8
Less: Exited business	(3.8)	(10.9)	(0.3)	(7.4)
Revenues, as adjusted	$ 460.2	$ 1,927.8	$ 416.8	$ 1,884.4
Operating income, as reported	$ 49.3	$ 182.0	$ 36.3	$ 169.0
Amortization	7.7	30.7	7.8	30.7
Restructuring and other charges, net	1.7	39.2	1.7	39.2
Share-based compensation	1.9	7.0	1.9	7.0
Exited business(1)	2.4	4.8	0.8	3.2
Non-GAAP adjusted operating income	63.0	263.7	48.4	249.1
Depreciation	8.9	35.4	7.5	34.1
Non-GAAP adjusted EBITDA	$ 71.9	$ 299.1	$ 56.0	$ 283.2

(1) Reflects the impact included in reported results of a product line that has been discontinued and is being shut down.

The Company's management believes that presenting the above non-GAAP financial measures provides meaningful information to investors in understanding operating results and may enhance investors' ability to analyze financial and business trends. As calculated, these non-GAAP measures may not be comparable to other similarly titled measures of other companies. In addition, the Company's management believes that these non-GAAP financial measures allow investors to compare period to period more easily by excluding items that could have a disproportionately negative or positive impact on results in any particular period.

The Company expects to realize more than $150 million in annual synergies beginning in the third year following closing, with more than $50 million in the first full year. These synergies are expected to come from all areas of the company, including sales, marketing, general and administrative, operations and research and development. The Company expects to incur integration and restructuring costs of approximately $125-175 million to achieve these synergies.

Forward-Looking Statements

This communication contains forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning the Company, the proposed acquisition by the Company of the Broadband Network Solutions Business of TE Connectivity and other matters. These statements may discuss goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise, based on current beliefs of the management of the Company and TE Connectivity as well as assumptions made by, and information currently available to, such management. Forward-looking statements may be accompanied by words such as "aim," "anticipate," "believe," "plan," "could," "would," "should," "estimate," "expect," "forecast," "future," "guidance," "intend," "may," "will," "possible," "potential," "predict," "project" or similar words, phrases or expressions. These forward-looking statements are subject to various risks and uncertainties, many of which are outside the control of the Company and TE Connectivity. Therefore, you should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include failure to obtain applicable regulatory approvals in a timely manner, on terms acceptable to the Company or TE Connectivity or at all; failure to satisfy other closing conditions to the proposed transactions; the risk that the Company will be required to pay the reverse break-up fee under the Stock and Asset Purchase Agreement; the risk that the TE Connectivity businesses will not be integrated successfully into the Company or that the Company will not realize estimated cost savings, synergies and growth or that such benefits may take longer to realize than expected; failure by the Company to realize anticipated benefits of the acquisition; risks relating to unanticipated costs of integration; risks from relying on TE Connectivity for various critical transaction services for an extended period; reductions in customer spending and/or a slowdown in customer payments; failure to manage potential conflicts of interest between or among customers; unanticipated changes relating to competitive factors in the telecommunications industry; ability to hire and retain key personnel; the potential impact of announcement or consummation of the proposed acquisition on relationships with third parties, including customers, employees and competitors; ability to attract new customers and retain existing customers in the manner anticipated; changes in legislation or governmental regulations affecting the Company and the TE Connectivity businesses to be acquired; international, national or local economic, social or political conditions that could adversely affect the Company, the TE Connectivity businesses to be acquired or their customers; conditions in the credit markets that could impact the costs associated with financing the acquisition; risks associated with assumptions made in connection with the critical accounting estimates, including segment presentation, and legal proceedings of the Company and/or the TE Connectivity businesses to be acquired; and the international operations of the Company and/or the TE Connectivity businesses to be acquired, which are subject to the risks of currency fluctuations and foreign exchange controls. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties that affect the businesses of the Company and/or the TE Connectivity businesses to be acquired, including those described in each of the Company's and TE Connectivity's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other documents filed from time to time with the Securities and Exchange Commission. Except as required under applicable law, the parties do not assume any obligation to update these forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business to be Acquired.

1. Audited combined financial statements of the Broadband Network Solutions Business of TE Connectivity Ltd. as of September 26, 2014 and September 27, 2013 and for the years ended September 26, 2014, September 27, 2013 and September 28, 2012 are attached as Exhibit 99.1 to this Current Report on Form 8-K.

2. Unaudited condensed combined financial statements of the Broadband Network Solutions Business of TE Connectivity Ltd. as of December 26, 2014 and September 26, 2014 and for the quarterly periods ended December 26, 2014 and December 27, 2013 are attached as Exhibit 99.2 to this Current Report on Form 8-K.

(b) Pro Forma Financial Information.

1. The unaudited pro forma condensed combined financial information related to the Acquisition is attached as Exhibit 99.3 to this Current Report on Form 8-K.

(c) Management's Discussion and Analysis of Financial Condition and Results of Operations.

1. Management's Discussion and Analysis of Financial Condition and Results of Operations of the Broadband Network Solutions Business of TE Connectivity Ltd. for the year ended September 26, 2014 is attached as Exhibit 99.4 to this Current Report on Form 8-K.
2. Management's Discussion and Analysis of Financial Condition and Results of Operations of the Broadband Network Solutions Business of TE Connectivity Ltd. for the quarterly period ended December 26, 2014 is attached as Exhibit 99.5 to this Current Report on Form 8-K.

(d) Exhibits.

Exhibit Number:	Description
23.1	Consent of Deloitte & Touche LLP, Independent Auditors
99.1	Audited combined financial statements of the Broadband Network Solutions business of TE Connectivity Ltd. as of September 26, 2014 and September 27, 2013 and for the years ended September 26, 2014, September 27, 2013 and September 28, 2012
99.2	Unaudited condensed combined financial statements of the Broadband Network Solutions business of TE Connectivity Ltd. as of December 26, 2014 and September 26, 2014 and for the quarterly periods ended December 26, 2014 and December 27, 2013
99.3	Unaudited pro forma condensed combined financial statements and explanatory notes as of December 31, 2014 and for the year ended December 31, 2014
99.4	Management's Discussion and Analysis of Financial Condition and Results of Operations of the Broadband Network Solutions business of TE Connectivity Ltd. for the year ended September 26, 2014
99.5	Management's Discussion and Analysis of Financial Condition and Results of Operations of the Broadband Network Solutions business of TE Connectivity Ltd. for the quarterly period ended December 26, 2014

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CommScope Holding Company, Inc.

Date: March 2, 2015

By:	/s/ Mark A. Olson
Name:	Mark A. Olson
Title:	Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

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Exhibit 23.1

Consent of Independent Auditors

We consent to the incorporation by reference in CommScope Holding Company, Inc. Registration Statement No. 333-191959 on Form S-8 of our report dated November 12, 2014, relating to the combined balance sheets of the Broadband Network Solutions Business of TE Connectivity Ltd. and subsidiaries as of September 26, 2014 and September 27, 2013, and the related combined statements of operations, comprehensive income, business unit equity, and cash flows for each of the fiscal years in the three-year period ended September 26, 2014 (which report expresses an unmodified opinion and includes an emphasis-of-matter paragraph relating to allocations from TE Connectivity Ltd.), included in this Current Report on Form 8-K.

/s/ Deloitte & Touche LLP

Philadelphia, Pennsylvania
March 2, 2015

Exhibit 99.1

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

COMBINED FINANCIAL STATEMENTS

As of September 26, 2014 and September 27, 2013, and for the years ended September 26, 2014, September 27, 2013 and September 28, 2012

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

INDEX TO COMBINED FINANCIAL STATEMENTS

	Page
Independent Auditors’ Report	3
Combined Statements of Operations for the Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012	5
Combined Statements of Comprehensive Income for the Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012	6
Combined Balance Sheets as of September 26, 2014 and September 27, 2013	7
Combined Statements of Business Unit Equity for the Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012	8
Combined Statements of Cash Flows for the Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012	9
Notes to Combined Financial Statements	10

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INDEPENDENT AUDITORS' REPORT

To the Senior Management of TE Connectivity Ltd.
Schaffhausen, Switzerland

We have audited the accompanying combined financial statements of the Broadband Network Solutions business of TE Connectivity Ltd., which comprise the combined balance sheets as of September 26, 2014 and September 27, 2013, and the related combined statements of operations, comprehensive income, business unit equity and cash flows for each of the three fiscal years in the period ended September 26, 2014, and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the companies' preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the companies' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Member of
Deloitte Touche Tohmatsu Limited

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Broadband Network Solutions business of TE Connectivity Ltd. as of September 26, 2014 and September 27, 2013, and the results of its operations, and its cash flows for each of the three fiscal years in the period ended September 26, 2014 in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 and Note 2 of the combined financial statements, the combined balance sheets and combined statements of operations include allocations from TE Connectivity Ltd. These allocations may not be reflective of the actual level of assets, liabilities, or costs which would have been incurred had the Broadband Network Solutions business operated as a separate entity apart from TE Connectivity Ltd. Our opinion is not modified with respect to this matter.

Deloitte & Touche LLP

Philadelphia, Pennsylvania
November 12, 2014

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

COMBINED STATEMENTS OF OPERATIONS

Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012

	Fiscal 2014	Fiscal 2013	Fiscal 2012
		(in thousands)	
Net sales	$1,938,739	$1,890,014	$1,957,130
Cost of sales	1,235,469	1,233,365	1,315,837
Gross margin	703,270	656,649	641,293
Selling expenses	238,449	228,531	231,265
General and administrative expenses	144,631	144,450	144,400
Research, development, and engineering expenses	99,038	94,832	91,274
Restructuring charges, net	39,176	90,366	24,940
Operating income	181,976	98,470	149,414
Interest income	754	477	621
Interest expense	(3,015)	(3,172)	(2,689)
Income before income taxes	179,715	95,775	147,346
Income tax expense (benefit)	105,823	(55,610)	55,931
Net income	$ 73,892	$ 151,385	$ 91,415

See Notes to Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

COMBINED STATEMENTS OF COMPREHENSIVE INCOME

Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012

	Fiscal		
	2014	**2013**	**2012**
		(in thousands)	
Net income	$ 73,892	$151,385	$ 91,415
Other comprehensive loss:			
Currency translation	(24,330)	(6,441)	(10,155)
Adjustments to unrecognized pension benefit costs, net of income taxes	1,042	1,465	1,055
Other comprehensive loss	(23,288)	(4,976)	(9,100)
Comprehensive income	$ 50,604	$146,409	$ 82,315

See Notes to Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

COMBINED BALANCE SHEETS

As of September 26, 2014 and September 27, 2013

	Fiscal Year End	
	2014	2013
	(in thousands)	
Assets		
Current assets:		
Cash and cash equivalents	$ 16,864	$ 22,473
Accounts receivable, net of allowance for doubtful accounts of $19,301 and $ 19,066, respectively	382,046	365,291
Inventories	239,157	279,658
Prepaid expenses and other current assets	70,803	74,900
Deferred income taxes	45,303	60,858
Total current assets	754,173	803,180
Property, plant, and equipment, net	205,500	214,627
Goodwill	588,982	586,669
Intangible assets, net	241,217	265,912
Deferred income taxes	168,423	220,050
Other assets	6,478	2,561
Total Assets	$1,964,773	$2,092,999
Liabilities and Business Unit Equity		
Current liabilities:		
Current maturities of long-term debt	$ 89,497	$ 265
Accounts payable	160,313	176,376
Accrued and other current liabilities	176,986	192,195
Deferred revenue	2,464	3,926
Total current liabilities	429,260	372,762
Long-term debt	89	89,681
Long-term pension liabilities	8,409	7,145
Deferred income taxes	30,114	31,610
Income taxes	14,553	17,388
Other liabilities	32,384	48,233
Total Liabilities	514,809	566,819
Commitments and contingencies (Note 10)		
Business Unit Equity:		
Parent company investment	1,420,500	1,473,428
Accumulated other comprehensive income	29,464	52,752
Total Business Unit Equity	1,449,964	1,526,180
Total Liabilities and Business Unit Equity	$1,964,773	$2,092,999

See Notes to Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

COMBINED STATEMENTS OF BUSINESS UNIT EQUITY

Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012

	Parent Company Investment	Accumulated Other Comprehensive Income	Total Business Unit Equity
		(in thousands)	
Balance at September 30, 2011	$ 1,608,791	$ 66,828	$ 1,675,619
Net income	91,415	—	91,415
Other comprehensive loss	—	(9,100)	(9,100)
Total comprehensive income (loss)	91,415	(9,100)	82,315
Net decrease in Parent company investment	(186,607)	—	(186,607)
Balance at September 28, 2012	$ 1,513,599	$ 57,728	$ 1,571,327
Net income	151,385	—	151,385
Other comprehensive loss	—	(4,976)	(4,976)
Total comprehensive income (loss)	151,385	(4,976)	146,409
Net decrease in Parent company investment	(191,556)	—	(191,556)
Balance at September 27, 2013	$ 1,473,428	$ 52,752	$ 1,526,180
Net income	73,892	—	73,892
Other comprehensive loss	—	(23,288)	(23,288)
Total comprehensive income (loss)	73,892	(23,288)	50,604
Net decrease in Parent company investment	(126,820)	—	(126,820)
Balance at September 26, 2014	$ 1,420,500	$ 29,464	$ 1,449,964

See Notes to Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

COMBINED STATEMENTS OF CASH FLOWS

Fiscal Years Ended September 26, 2014, September 27, 2013, and September 28, 2012

	Fiscal 2014	Fiscal 2013	Fiscal 2012
	(in thousands)		
Cash Flows From Operating Activities:			
Net income	$ 73,892	$ 151,385	$ 91,415
Adjustments to reconcile income to net cash provided by operating activities:			
Depreciation and amortization	66,100	71,108	78,660
Non-cash restructuring charges	3,762	24,492	864
Deferred income taxes	64,903	(92,047)	23,532
Provision for losses on accounts receivable and inventories	16,111	20,361	13,437
Share-based compensation expense	7,008	6,922	6,871
Changes in assets and liabilities, net of the effects of acquisitions and divestitures:			
Accounts receivable, net	(30,740)	(21,021)	1,883
Inventories	23,214	(21,941)	35,081
Prepaid expenses and other current assets	(3,748)	(7,016)	18,160
Accounts payable	(16,741)	22,024	(16,724)
Accrued and other current liabilities	(11,861)	20,874	(31,973)
Other	(18,623)	19,559	(5,352)
Net cash provided by operating activities	173,277	194,700	215,854
Cash Flows From Investing Activities:			
Capital expenditures	(39,104)	(35,484)	(29,003)
Proceeds from sale of property, plant, and equipment and other	1,015	17,016	965
Net cash used in investing activities	(38,089)	(18,468)	(28,038)
Cash Flows From Financing Activities:			
Repayment of long-term debt	(221)	(1,147)	(1,628)
Net financing activities with Parent and Parent’s subsidiaries	(139,175)	(183,906)	(185,294)
Net cash used in financing activities	(139,396)	(185,053)	(186,922)
Effect of currency translation on cash	(1,401)	(241)	(587)
Net (decrease) increase in cash and cash equivalents	(5,609)	(9,062)	307
Cash and cash equivalents at beginning of fiscal year	22,473	31,535	31,228
Cash and cash equivalents at end of fiscal year	$ 16,864	$ 22,473	$ 31,535
Supplemental Cash Flow Information:			
Interest paid	$ 3,128	$ 3,141	$ 3,158

See Notes to Combined Financial Statements.

NOTES TO COMBINED FINANCIAL STATEMENTS

1. Basis of Presentation

Description of the Business

The Broadband Network Solutions business (“BNS” or the “Company”) of TE Connectivity Ltd. (“TE Connectivity” or “Parent”) is a physical layer network connectivity hardware provider, with a portfolio of brands and solutions across several key markets. The majority of BNS’s revenue comes from providing fiber optic and copper hardware and cabling to companies that build, maintain, or operate public or private networks. In addition, BNS has a wireless business that provides licensed spectrum coverage and capacity extensions for wireless networks that complement wireless network equipment provided by numerous companies. BNS customers include local and long distance telephone companies, cable television operators, internet/data communications providers, wireless service providers, private network operators, digital content providers, and broadcast television operators.

These combined financial statements reflect the combined historical results of operations, financial position, and cash flows of BNS described in more detail below. Unless otherwise indicated, reference in these notes to the combined financial statements (“Combined Financial Statements”) to “we”, “us,” and “our” refer to BNS and its combined operations. References to the Combined Financial Statements refer to the information included herein with respect to the historical results of operations, financial position, and cash flows of BNS.

BNS is a business unit of Parent, which is a global technology leader. Parent designs and manufactures connectivity and sensors solutions in today’s increasingly connected world. Parent helps customers solve the need for intelligent, efficient, and high-performing products and solutions.

BNS is one of the world’s largest suppliers of infrastructure components and systems for the telecommunications market and electronic components for the data communications market. BNS products include connectors, fiber optics, wire and cable, racks and panels, and wireless products. The following are the primary product families sold by BNS:

- *Terminals and connector systems and components.* BNS offers an extensive range of low, medium, and high-voltage connectors and splices, cable assemblies, sealing systems, terminals, fittings, lugs and clamps, transmission line fittings, splice closures, grounding hardware, and wall and floor outlets for voice and data connection to local area networks.
- *Fiber optics.* BNS provides fiber optic connectors, splices, splice closures, fiber management systems, high density cable assemblies, couplers and splitters, and complete cabling systems. These products find use in both local-area and wide-area networks and “last-mile” fiber-to-the-home installations.
- *Wire and cable.* BNS provides wire and cable for indoor and outdoor use in office, factory floor, school, and residential voice, data, and video networks, including copper and fiber optic distribution cables, shielded and unshielded twisted-pair cables, armored cable, and patch cords.
- *Racks and panels.* BNS provides racks and panels that are used to integrate, organize, and manage fiber and copper cables and splices, thereby simplifying installation, maintenance, and upgrades for both exchange/head-end and customer premise environments.
- *Wireless.* BNS offers solutions for radio frequency distribution and distributed antenna systems. These products provide wireless coverage and capacity, and operate as an extension of the wireless network, expanding the reach of both in-building and outdoor signals.

Basis of Presentation

These Combined Financial Statements have been prepared in accordance with generally accepted accounting principles in the U.S. (“U.S. GAAP”). The assets and liabilities in the Combined Financial Statements have been reflected on a historical cost basis, as included in the historical consolidated balance sheets of Parent. The combined statements of operations include allocations for a) certain support functions that are provided on a centralized basis by Parent and historically recorded at the business unit level, as well as b) corporate costs not historically allocated by Parent to the business unit level. These expenses include departmental charges related to executive office, finance, tax, treasury, human resources, information technology, and legal, among others. These expenses have been allocated to BNS on the basis of direct usage when identifiable, with the remainder allocated on a proportional basis of operating income, headcount or other measures of BNS or Parent. Management believes the assumptions underlying the Combined Financial Statements, including the assumptions regarding allocating general corporate expenses from Parent, are reasonable. Nevertheless, the Combined Financial Statements may not include the actual expenses that would have been incurred by BNS and may not reflect the combined results of operations, financial position, and cash flows had it been a stand-alone business during the periods presented. Actual costs that would have been incurred if BNS had been a stand-alone business would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure.

Fiscal Year

Unless otherwise indicated, references in the Combined Financial Statements to fiscal 2014, fiscal 2013, and fiscal 2012, are to our fiscal years ended September 26, 2014, September 27, 2013, and September 28, 2012, respectively. Our fiscal year is a "52-53 week" year ending on the last Friday of September, such that each quarterly period is 13 weeks in length. For fiscal years in which there are 53 weeks, the fourth quarter reporting period will include 14 weeks. Fiscal 2014, 2013 and 2012 were each 52 weeks in length.

Use of Estimates

The preparation of the Combined Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Significant estimates in these Combined Financial Statements include restructuring charges, allowances for doubtful accounts receivable, estimates of future cash flows and discount rates associated with asset impairments, useful lives for depreciation and amortization, loss contingencies, net realizable value of inventories, legal contingencies, tax reserves and deferred tax asset valuation allowances, and the determination of discount and other rate assumptions for pension benefit expenses. Actual results could differ materially from these estimates.

2. Summary of Significant Accounting Policies

Principles of Combination

The Combined Financial Statements include assets and liabilities that have been determined to be either specifically identifiable or otherwise attributable to BNS. In certain cases, assets or liabilities that were not specifically identified to the BNS business were allocated on a proportional basis in the combined balance sheets using financial metrics deemed most appropriate for each account. All significant intercompany transactions and accounts within BNS's combined businesses have been eliminated. All intercompany transactions between BNS and Parent have been included in these Combined Financial Statements as Parent company investment. Expenses related to corporate allocations from Parent to BNS are considered to be effectively settled for cash in the Combined Financial Statements at the time the transaction is recorded, with the offset recorded against Parent company investment. See Note 15 for additional information regarding transactions with Parent and other related-party transactions.

Revenue Recognition

Our revenues are generated principally from the sale of our products. Revenue from the sale of products is recognized at the time title and the risks and rewards of ownership pass to the customer. This generally occurs when the products reach the shipping point, the sales price is fixed and determinable, and collection is reasonably assured. For those items where title has not yet transferred, we have deferred the recognition of revenue.

We generally warrant that our products will conform to our or mutually agreed to specifications and that our products will be free from material defects in materials and workmanship for a limited time. We limit our warranty to the replacement or repair of defective parts or a refund or credit of the price of the defective product. We accept returned goods only when the customer makes a verified claim and we have authorized the return. Returns result primarily from defective products or shipping discrepancies. A reserve for estimated returns is established at the time of sale based on historical return experience and is recorded as a reduction of sales.

We provide certain distributors with an inventory allowance for returns or scrap equal to a percentage of qualified purchases. A reserve for estimated returns and scrap allowances is established at the time of the sale, based on a fixed percentage of sales to distributors authorized and agreed to by us, and is recorded as a reduction of sales.

Other allowances include customer quantity and price discrepancies. A reserve for other allowances is generally established at the time of sale based on historical experience and is recorded as a reduction of sales. We believe we can reasonably and reliably estimate the amounts of future allowances.

Cash and Cash Equivalents

All highly liquid investments with original maturities of three months or less from the time of purchase are considered to be cash equivalents. Parent employs a cash pooling structure in most regions globally that results in cash balances being centrally managed. Transfers of cash to and from Parent’s cash management function are reflected as a component of Parent company investment in the combined balance sheets. For purposes of the Combined Financial Statements, cash was only included for dedicated legal entities (entities that consist entirely of BNS operations) in which there are regulatory restrictions on cash movement and not part of Parent’s centralized cash management function.

Allowance for Doubtful Accounts

The allowance for doubtful accounts receivable reflects the best estimate of probable losses inherent in our outstanding receivables after consideration of aging, known troubled accounts, and other currently available information.

Inventories

Inventories are recorded at the lower of cost or market value using the first-in, first-out cost method.

Property, Plant, and Equipment, Net and Long-Lived Assets

Property, plant, and equipment is recorded at cost less accumulated depreciation. Maintenance and repair expenditures are charged to expense when incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which are 10 to 20 years for land improvements, 5 to 40 years for buildings and improvements, and 1 to 15 years for machinery and equipment. The combined balance sheets include property, plant, and equipment owned by BNS. Transfers of property, plant, and equipment between the Company and Parent are accounted for as changes in Parent company investment.

We periodically evaluate, when events and circumstances warrant, the net realizable value of long-lived assets, including property, plant, and equipment and amortizable intangible assets, relying on a number of factors including operating results, business plans, economic projections, and anticipated future cash flows. When indicators of potential impairment are present, the carrying values of the asset group are evaluated in relation to the operating performance and estimated future undiscounted cash flows of the underlying asset group. Impairment of the carrying value of an asset group is recognized whenever anticipated future undiscounted cash flows from an asset group are estimated to be less than its carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows and discount rates, reflecting varying degrees of perceived risk.

Goodwill and Other Intangible Assets

Acquired intangible assets include both indeterminable-lived residual goodwill and determinable-lived identifiable intangible assets. Intangible assets with a determinable life primarily include intellectual property, consisting of trademarks and unpatented technology, as well as customer relationships. Estimates of recoverability of determinable-lived identifiable intangible assets range from 5 to 50 years and are amortized on a straight-line basis. An evaluation of the remaining useful life of determinable-lived intangible assets is performed on a periodic basis and when events and circumstances warrant an evaluation. We assess determinable-lived intangible assets for impairment consistent with our policy for assessing other long-lived assets for impairment. Goodwill is assessed for impairment separately from determinable-lived intangible assets by comparing the carrying value of each reporting unit to its fair value on the first day of the fourth fiscal quarter of each year or whenever we believe a triggering event requiring a more frequent assessment has occurred. In assessing the existence of a triggering event, management relies on a number of reporting unit-specific factors including operating results, business plans, economic projections, anticipated future cash flows, transactions, and market place data. There are inherent uncertainties related to these factors and management’s judgment in applying these factors to the goodwill impairment analysis.

At September 26, 2014, we had three reporting units (Telecommunications Networks, Enterprise Networks, and Wireless Networks), each of which contained goodwill.

When testing for goodwill impairment, we perform a step I goodwill impairment test to identify a potential impairment. In doing so, we compare the fair value of a reporting unit with its carrying amount. If the carrying amount of a reporting unit exceeds its fair value, goodwill may be impaired and a step II goodwill impairment test is performed to measure the amount of impairment, if any. In the step II goodwill impairment test, we compare the implied fair value of reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to the excess. The implied fair value of goodwill is determined in a manner consistent with how goodwill is recognized in a business combination. We allocate the fair value of a reporting unit to all of the assets and liabilities of that unit, including intangible assets, as if the reporting unit had been acquired in a business combination. Any excess of the fair value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill.

Fair value estimates used in the step I goodwill impairment tests are calculated using an income approach based on the present value of future cash flows of each reporting unit. The income approach is supported by guideline analyses (a market approach). These approaches incorporate a number of assumptions including future growth rates, discount rates, income tax rates, and market activity in assessing fair value and are reporting unit-specific. Changes in economic and operating conditions impacting these assumptions could result in goodwill impairments in future periods.

Research and Development

Research and development expenditures are expensed when incurred and are included in research, development, and engineering expenses in our combined statements of operations. Research and development expenses include salaries, direct costs incurred, and building and overhead expenses. The amounts expensed in fiscal 2014, 2013, and 2012 were $94,655 thousand, $91,284 thousand, and $87,327 thousand, respectively.

Income Taxes

Income taxes are computed in accordance with the provisions of Accounting Standards Codification (“ASC”) 740, *Income Taxes.* Certain portions of BNS’s operations have historically been included in Parent’s U.S. federal and state tax returns or non-U.S. jurisdiction tax returns. Income taxes as presented herein attribute current and deferred income taxes of Parent to BNS’s stand-alone financial statements in a manner that is systematic, rational, and consistent with the asset and liability method prescribed by ASC 740. Accordingly, BNS’s income tax provision was prepared following the separate return method. The separate return method applies ASC 740 to the stand-alone financial statements of each member of the combined group as if the group member were a separate taxpayer and the benefits of a consolidated return have been reflected where such returns have or could be filed based on the entities jurisdictions included in the financial statements. As a result, actual tax transactions included in the consolidated financial statements of Parent may not be included in the separate Combined Financial Statements of BNS. Similarly, the tax treatment of certain items reflected in the separate Combined Financial Statements of BNS may not be reflected in the consolidated financial statements and tax returns of Parent. Therefore, portions of items such as net operating losses, credit carryforwards, other deferred taxes, uncertain tax positions, and valuation allowances may exist in the stand-alone financial statements that may or may not exist in Parent’s consolidated financial statements.

In the Combined Financial Statements, BNS’s results of operations in each taxing jurisdiction have been treated as if they were generated in separate taxable entities for the purposes of applying ASC 740. Certain U.S. and non-U.S. portions operate within subsidiaries of Parent that have net operating loss carryforwards that are available to offset taxable income. In these Combined Financial Statements, the tax impact of the utilization of these net operating losses by BNS has been reflected as a decrease to current income taxes payable and a corresponding increase to Parent company investment, as BNS is not required to make payments for the utilization of these net operating losses. In addition, certain of BNS’s non-U.S. operations generated tax losses that were included in profitable subsidiaries of Parent. In these Combined Financial Statements we have presented these tax losses as hypothetical tax loss carryforwards, subject to a valuation allowance, if applicable. Deferred tax assets and liabilities are determined based on the differences between the book and tax basis of particular assets and liabilities and operating loss carryforwards using tax rates in effect for the years in which the differences are expected to reverse. A valuation allowance is provided to offset deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

Because portions of BNS's operations are included in Parent's tax returns, payments to certain tax authorities are made by Parent, and not by BNS. BNS only maintains taxes payable to/from the taxing authorities for legal entities that are fully dedicated to the BNS business. BNS does not maintain taxes payable to/from Parent and the payments are deemed to settle the annual current tax payable balances immediately with the legal entities paying the tax in the respective jurisdictions through changes in Parent company investment.

Fair Value Measurements and Financial Instruments

ASC 820, *Fair Value Measurements and Disclosures*, specifies a fair value hierarchy based upon the observable inputs utilized in valuation of certain assets and liabilities. Observable inputs (highest level) reflect market data obtained from independent sources, while unobservable inputs (lowest level) reflect internally developed market assumptions. Fair value measurements are classified under the following hierarchy:

- *Level 1.* Quoted prices in active markets for identical assets and liabilities.
- *Level 2.* Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- *Level 3.* Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flows methodologies, and similar techniques that use significant unobservable inputs.

Our financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, and long-term debt. These instruments are recorded on our combined balance sheets at book value. For cash and cash equivalents, accounts receivable, and accounts payable, we believe book value approximates fair value due to the short-term nature of these instruments. The following is a description of the valuation methodologies used for the respective financial instruments:

- *Cash and cash equivalents.* Cash and cash equivalents are valued at book value, which we consider to be equivalent to unadjusted quoted prices (level 1).
- *Accounts receivable.* Accounts receivable are valued based on the net value expected to be realized. The net realizable value generally represents an observable contractual agreement (level 2).
- *Accounts payable.* Accounts payable are valued based on the net value expected to be paid, generally supported by an observable contractual agreement (level 2).
- *Long-term debt.* Management has determined that fair value of BNS's long-term debt, assumed when Parent acquired ADC Telecommunications, Inc., approximates book value, as the instruments are not actively traded and the equity conversion rights embedded in the instruments were converted to cash conversion rights in fiscal 2011.

Business Unit Equity

Business unit equity includes Parent's investment in BNS and accumulated other comprehensive income. See Note 15 for additional information regarding transactions with Parent and other related-party transactions.

Pension Benefits

BNS has several dedicated defined benefit pension plans in which only its employees participate (the "Dedicated Plans"). Additionally, BNS employees are eligible to participate in certain of Parent's defined benefit pension plans with employees from other Parent businesses (the "Shared Plans").

The funded status of Dedicated Plans is recognized on the combined balance sheets and is measured as the difference between the fair value of plan assets and the benefit obligation at the measurement date. The benefit obligation is the projected benefit obligation, which represents the actuarial present value of benefits expected to be paid upon retirement factoring in estimated future compensation levels. The fair value of plan assets represents the current market value of cumulative company and participant contributions made to irrevocable trust funds, held for the sole benefit of participants, which are invested by the trustee of the funds. The benefits under the Dedicated Plans are based on various factors, such as years of service and compensation.

For the Dedicated Plans, net periodic pension benefit cost is based on the utilization of the projected unit credit method of calculation and is charged to earnings on a systematic basis over the expected average remaining service lives of current participants.

The measurement of benefit obligations and net periodic benefit cost for the Dedicated Plans is based on estimates and assumptions determined by BNS management. These valuations reflect the terms of the plans and use participant-specific information such as compensation, age, and years of service, as well as certain assumptions, including estimates of discount rates, expected return on plan assets, rate of compensation increases, interest crediting rates, and mortality rates.

BNS accounts for the Shared Plans as multiemployer plans, recording actuarially-determined service and interest cost as an allocation of net periodic benefit costs associated with BNS employees participating in those Shared Plans.

Share-Based Compensation

We determine the fair value of share awards of Parent stock on the date of grant. Share options are valued using the Black-Scholes-Merton valuation model; restricted share awards are valued using our end-of-day share price on the date of grant. That fair value is expensed ratably over the expected service period, with an allowance made for estimated forfeitures based on historical employee activity. For share-based compensation amounts related to BNS employees, the expense was specifically identified for all periods presented herein. With regard to non-BNS employees, such as Parent's corporate employees, expenses were proportionally allocated based upon operating income.

Currency Translation

For our non-U.S. dollar functional currency subsidiaries, assets and liabilities are translated into U.S. dollars using fiscal period end exchange rates. Sales and expenses are translated at average monthly exchange rates. Foreign currency translation gains and losses are included as a component of accumulated other comprehensive income within business unit equity.

Gains and losses resulting from foreign currency transactions, which are included in earnings, were not significant in fiscal 2014, 2013, and 2012.

Restructuring Charges, Net

Restructuring activities involve employee-related termination costs, facility exit costs, and asset impairments resulting from reductions-in-force, migration of facilities or product lines from higher-cost to lower-cost countries, or consolidation of facilities within countries. We recognize termination costs based on requirements established per severance policy, government law, or previous actions. Facility exit costs generally reflect the cost to terminate a facility lease before the end of its term (measured at fair value at the time we cease using the facility) or costs that will continue to be incurred under the facility lease without future economic benefit to us. Restructuring activities often result in the disposal or abandonment of assets that require an acceleration of depreciation or impairment reflecting the excess of the assets' carrying values over fair value.

The recognition of restructuring costs require that we make certain judgments and estimates regarding the nature, timing, and amount of costs associated with the planned exit activity. To the extent our actual results differ from our estimates and assumptions, we may be required to revise the estimated liabilities, requiring the recognition of additional restructuring costs or the reduction of liabilities already recognized. At the end of each reporting period, we evaluate the remaining accrued balances to ensure these balances are properly stated and the utilization of the reserves are for their intended purpose in accordance with developed exit plans.

Contingent Liabilities

We record a loss contingency when the available information indicates it is probable that we have incurred a liability and the amount of the loss is reasonably estimable. When a range of possible losses with equal likelihood exists, we record the low end of the range. The likelihood of a loss with respect to a particular contingency is often difficult to predict, and determining a meaningful estimate of the loss or a range of loss may not be practicable based on information available. In addition, it is not uncommon for such matters to be resolved over many years, during which time relevant developments and new information must continuously be evaluated to determine whether a loss is probable and a reasonable estimate of that loss can be made. When a loss is probable but a reasonable estimate cannot be made, or when a loss is at least reasonably possible, disclosure is provided.

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued ASC 606, Revenue from Contracts with Customers. This guidance supersedes ASC 605, Revenue Recognition, and introduces a single, comprehensive, five-step revenue recognition model. ASC 606 also enhances disclosures related to revenue recognition. ASC 606 will be effective for us in the first quarter of fiscal 2018 and allows for either a full retrospective or a modified retrospective approach at adoption. We are continuing to assess the impact of adopting ASC 606, but do not expect adoption to have a material impact on our results of operations or financial position.

3. Restructuring Charges, Net

Activity in our restructuring reserves, which primarily consist of employee severance costs, is summarized as follows:

	Balance at Beginning of Fiscal Year	Charges(1)	Changes in Estimate(1)	Cash Payments	Non-Cash Items and Other(2)	Balance at End of Fiscal Year
	(in thousands)					
Fiscal 2014 Activity:						
Fiscal 2014 Actions	$ —	$ 21,714	$ (344)	$ (9,309)	$ (960)	$ 11,101
Fiscal 2013 Actions	63,864	19,973	(2,943)	(35,260)	(5,876)	39,758
Fiscal 2012 Actions	6,385	738	(1,351)	(4,383)	(542)	847
Pre-Fiscal 2012 Actions	8,173	1,358	31	(4,771)	(466)	4,325
Total Fiscal 2014 activity	$ 78,422	$ 43,783	$ (4,607)	$(53,723)	$ (7,844)	$ 56,031
Fiscal 2013 Activity:						
Fiscal 2013 Actions	$ —	$ 67,892	$ (34)	$ (5,057)	$ 1,063	$ 63,864
Fiscal 2012 Actions(3)	13,907	24,272	(1,208)	(6,262)	(24,324)	6,385
Pre-Fiscal 2012 Actions	15,457	2,721	(3,277)	(6,894)	166	8,173
Total Fiscal 2013 activity	$ 29,364	$ 94,885	$ (4,519)	$(18,213)	$(23,095)	$ 78,422
Fiscal 2012 Activity:						
Fiscal 2012 Actions	$ —	$ 25,863	$ (932)	$ (9,975)	$ (1,049)	$ 13,907
Pre-Fiscal 2012 Actions	40,403	1,383	(1,374)	(22,812)	(2,143)	15,457
Total Fiscal 2012 activity	$ 40,403	$ 27,246	$ (2,306)	$(32,787)	$ (3,192)	$ 29,364

(1) Charges and changes in estimate represent total restructuring charges, net on the combined statements of operations.
(2) Includes non-cash charges associated with asset write-offs and the effects of currency translation.
(3) Includes non-cash asset impairment charge of $24,492 thousand related to the sale of a facility.

Fiscal 2014 Actions

During fiscal 2014, we initiated a restructuring program primarily associated with headcount reductions. In connection with this program, we recorded restructuring charges of $21,370 thousand during fiscal 2014. We expect to complete all restructuring programs commenced in fiscal 2014 by the end of fiscal 2015 and to incur total charges of approximately $21,608 thousand, which will primarily consist of employee severance costs.

Fiscal 2013 Actions

During fiscal 2013, we initiated a restructuring program associated with headcount reductions and manufacturing site closures. In connection with this program we recorded net restructuring charges of $17,030 thousand and $67,858 thousand in fiscal 2014 and fiscal 2013, respectively, primarily related to employee severance costs. We expect to complete all restructuring programs commenced in fiscal 2013 by the end of fiscal 2015 and to incur total charges of approximately $84,943 thousand.

Fiscal 2012 Actions

During fiscal 2012, we initiated a restructuring program primarily associated with headcount reduction. In connection with this program we recorded net restructuring credits of $613 thousand in fiscal 2014 and net restructuring charges of $23,064 thousand and $24,931 thousand in fiscal 2013 and fiscal 2012, respectively. Credits and charges were primarily related to employee severance costs and included, in fiscal 2013, a non-cash asset impairment charge of $24,492 thousand related to an administrative facility that we exited. We do not expect to incur any additional expense related to restructuring programs commenced in fiscal 2012.

Pre-Fiscal 2012 Actions

In connection with the restructuring actions initiated prior to fiscal 2012, we recorded net restructuring charges of $1,389 thousand, credits of $556 thousand, and charges of $9 thousand in fiscal 2014, fiscal 2013, and fiscal 2012, respectively.

Total Restructuring Reserves

Restructuring reserves included on the combined balance sheets were as follows:

	Fiscal Year End	
	2014	2013
	(in thousands)	
Accrued and other current liabilities	$43,182	$55,243
Other liabilities	12,849	23,179
Restructuring reserves	$56,031	$78,422

4. Inventories

Inventories consisted of the following:

	Fiscal Year End	
	2014	2013
	(in thousands)	
Raw materials	$ 46,267	$ 65,356
Work in progress	61,484	46,815
Finished goods	131,406	167,487
Inventories	$239,157	$279,658

5. Property, Plant, and Equipment, Net

Net property, plant, and equipment consisted of the following:

	Fiscal Year End 2014	Fiscal Year End 2013
	(in thousands)	
Land and improvements	$ 16,707	$ 17,285
Buildings and improvements	117,441	122,711
Machinery and equipment	366,213	365,409
Construction in process	25,192	16,757
Gross property, plant, and equipment	525,553	522,162
Accumulated depreciation	(320,053)	(307,535)
Property, plant, and equipment, net	$ 205,500	$ 214,627

Depreciation expense was $35,399 thousand, $40,005 thousand, and $47,538 thousand in fiscal 2014, 2013, and 2012, respectively.

6. Goodwill

The changes in the carrying amount of goodwill were as follows:

	(in thousands)
September 28, 2012(1)	$ 586,881
Currency translation	(212)
September 27, 2013(1)	586,669
Currency translation and other	2,313
September 26, 2014(1)	$ 588,982

(1) For all periods, there were no accumulated impairment losses related to the BNS reporting units.

We completed our annual goodwill impairment test in the fourth quarter of fiscal 2014 and determined that no impairment existed.

7. Intangible Assets, Net

Intangible assets consisted of the following:

	Fiscal Year End 2014 Gross Carrying Amount	2014 Accumulated Amortization	2014 Net Carrying Amount	2013 Gross Carrying Amount	2013 Accumulated Amortization	2013 Net Carrying Amount
	(in thousands)					
Intellectual property	$229,623	$ (105,466)	$124,147	$229,623	$ (90,426)	$139,197
Customer relationships	169,577	(58,836)	110,741	165,357	(43,759)	121,598
Other	8,927	(2,608)	6,329	7,484	(2,367)	5,117
Total	$408,127	$ (166,910)	$241,217	$402,464	$ (136,552)	$265,912

Intangible asset amortization expense was $30,701 thousand, $31,103 thousand, and $31,122 thousand for fiscal 2014, 2013, and 2012, respectively.

The aggregate amortization expense on intangible assets is expected to be as follows:

	(in thousands)
Fiscal 2015	$ 31,028
Fiscal 2016	30,931
Fiscal 2017	30,931
Fiscal 2018	30,931
Fiscal 2019	30,931
Thereafter	86,465
Total	$ 241,217

8. Accrued and Other Current Liabilities

Accrued and other current liabilities consisted of the following:

	Fiscal Year End	
	2014	2013
	(in thousands)	
Accrued payroll and employee benefits	$ 69,076	$ 74,960
Restructuring reserves	43,182	55,243
Value-added and other duties and taxes payable	24,125	18,823
Income taxes payable	6,542	9,762
Deferred income taxes	3,627	2,016
Other	30,434	31,391
Accrued and other current liabilities	$176,986	$192,195

9. Debt

Debt was as follows:

	Fiscal Year End	
	2014	2013
	(in thousands)	
Current maturities of long-term debt:		
3.50% convertible subordinated notes due 2015	$89,239	$ —
Other	258	265
Total	89,497	265
Long-term debt:		
3.50% convertible subordinated notes due 2015	—	89,377
Other	89	304
Total	89	89,681
Total debt(1)	$89,586	$89,946

(1) Debt is presented at face amount and, if applicable, net of unamortized premium.

Parent will provide the funds, via an increase in Parent company investment, necessary to repay the 3.50% convertible subordinated notes due in July 2015.

10. Commitments and Contingencies

General Matters

We have facility, land, vehicle, and equipment leases that expire at various dates. Rental expense under these leases was $10,248 thousand, $7,853 thousand, and $9,329 thousand for fiscal 2014, 2013, and 2012, respectively. At September 26, 2014, the minimum lease payment obligations under non-cancelable lease obligations were as follows:

	(in thousands)
Fiscal 2015	$ 9,121
Fiscal 2016	8,233
Fiscal 2017	5,122
Fiscal 2018	2,791
Fiscal 2019	2,312
Thereafter	10,701
Total	$ 38,280

Legal Proceedings

In the ordinary course of business, we are subject to various legal proceedings and claims, including patent infringement claims, product liability matters, employment disputes, disputes on agreements, other commercial disputes, environmental matters, antitrust claims, and tax matters, including non-income tax matters such as value added tax, sales and use tax, real estate tax, and transfer tax. Although it is not feasible to predict the outcome of these proceedings, based upon our experience, current information, and applicable law, we do not expect that the outcome of these proceedings, either individually or in the aggregate, will have a material effect on our results of operations, financial position, or cash flows. During fiscal 2014, we resolved an on-going intellectual property dispute against a competitor and recorded a gain of $7,408 thousand, net of legal fees in general and administrative expenses in the combined statements of operations.

11. Retirement Plans

Defined Benefit Pension Plans

Parent has a number of contributory and noncontributory defined benefit retirement plans covering certain of our U.S. and non-U.S. employees, designed in accordance with local customs and practice. Certain defined benefit pension plans outside of the U.S. are fully dedicated to BNS employees (the Dedicated Plans discussed in Note 2 above); the accompanying combined balance sheets reflect only the funded status of those Dedicated Plans. The Shared Plans discussed in Note 2 above, accounted for under the multiemployer approach, only impact the pension expense recorded in the combined statements of operations.

The net periodic pension benefit cost for the Dedicated Plans was as follows:

	Fiscal		
	2014	2013	2012
		(in thousands)	
Service cost	$ 4,247	$ 4,699	$ 4,297
Interest cost	2,628	2,515	2,818
Expected return on plan assets	(4,724)	(4,417)	(2,623)
Amortization of net actuarial loss	656	1,214	1,274
Other	256	173	602
Net periodic pension benefit cost	$ 3,063	$ 4,184	$ 6,368
Weighted-average assumptions used to determine net pension benefit cost during the fiscal year:			
Discount rate	3.26%	3.31%	4.75%
Expected return on plan assets	6.51%	6.64%	5.00%
Rate of compensation increase	3.16%	3.15%	3.15%

The discount rate represents the market rate for high-quality fixed income investments and is used to calculate net periodic pension benefit cost and the present value of the expected future cash flows for benefit obligations to be paid under our pension plans.

The following table represents the changes in benefit obligation and plan assets and the net amount recognized on the combined balance sheets for the Dedicated Plans:

	Fiscal 2014	Fiscal 2013
	(in thousands)	
Change in benefit obligation:		
Benefit obligation at beginning of fiscal year	$79,432	$75,181
Service cost	4,247	4,699
Interest cost	2,628	2,515
Actuarial loss (gain)	4,591	(3,287)
Plan amendments	—	3,317
Benefits and administrative expenses paid	(4,845)	(5,598)
Currency translation	(4,788)	3,164
Other	(189)	(559)
Benefit obligation at end of fiscal year	81,076	79,432
Change in plan assets:		
Fair value of plan assets at beginning of fiscal year	72,287	65,780
Actual return on plan assets	8,952	6,198
Employer contributions	4,038	3,292
Benefits and administrative expenses paid	(4,845)	(5,598)
Currency translation	(4,722)	3,257
Other	(158)	(642)
Fair value of plan assets at end of fiscal year	75,552	72,287
Funded status	$ (5,524)	$ (7,145)
Amounts recognized on the combined balance sheets:		
Other assets	$ 2,885	$ —
Long-term pension liabilities	(8,409)	(7,145)
Net amount recognized	$ (5,524)	$ (7,145)
Weighted-average assumptions used to determine pension benefit obligation at fiscal year end:		
Discount rate	2.52%	3.42%
Rate of compensation increase	3.16%	3.15%

The pre-tax amounts recognized in accumulated other comprehensive income for the Dedicated Plans were as follows:

	Fiscal 2014	Fiscal 2013
	(in thousands)	
Change in net loss:		
Unrecognized net loss at beginning of fiscal year	$16,048	$21,579
Current year change recorded in accumulated other comprehensive income	(495)	(4,317)
Amortization reclassified to earnings	(656)	(1,214)
Unrecognized net loss at end of fiscal year	$14,897	$16,048
Change in prior service cost:		
Unrecognized prior service cost at beginning of fiscal year	$ 3,322	$ 5
Current year change recorded in accumulated other comprehensive income	(178)	3,318
Amortization reclassified to earnings	(256)	(1)
Unrecognized prior service cost at end of fiscal year	$ 2,888	$ 3,322

In determining the expected return on plan assets, we consider the relative weighting of plan assets by class and individual asset class performance expectations.

The investment strategy for the Dedicated Plans is governed locally. Our investment strategy for our pension plans is to manage the plans on a going concern basis. Current investment policy is to achieve a reasonable return on assets, subject to a prudent level of portfolio risk, for the purpose of enhancing the security of benefits for participants. Projected returns are based primarily on pro forma asset allocation, expected long-term returns, and forward-looking estimates of active portfolio and investment management.

Target weighted-average asset allocation and weighted-average asset allocation for the Dedicated Plans were as follows:

		Fiscal Year End	
	Target	As of September 26, 2014	As of September 27, 2013
Asset Category:			
Equity securities	82%	83%	75%
Insurance contracts and other investments	18%	17%	25%
Total	100%	100%	100%

TE Connectivity common shares are not a direct investment of our pension funds; however, the pension funds may indirectly include these shares. The aggregate amount of TE Connectivity common shares is not material relative to the total pension fund assets.

Our funding policy is to make contributions in accordance with the laws and customs of the various countries in which we operate, as well as to make discretionary voluntary contributions from time to time.

Benefit payments are expected to be paid as follows:

	(in thousands)
Fiscal 2015	$ 6,634
Fiscal 2016	7,382
Fiscal 2017	4,980
Fiscal 2018	3,867
Fiscal 2019	3,578
Fiscal 2020-2024	24,792

Set forth below is the accumulated benefit obligation for the Dedicated Plans as well as additional information related to plans with an accumulated benefit obligation in excess of plan assets and plans with a projected benefit obligation in excess of plan assets.

	Fiscal Year End 2014	2013
	(in thousands)	
Accumulated benefit obligation	$61,078	$60,543
Pension plans with accumulated benefit obligations in excess of plan assets:		
Accumulated benefit obligation	5,012	4,350
Fair value of plan assets	—	—
Pension plans with projected benefit obligations in excess of plan assets:		
Projected benefit obligation	17,048	79,432
Fair value of plan assets	8,639	72,287

We value our pension assets based on the fair value hierarchy of ASC 820, *Fair Value Measurements and Disclosures*. The following table presents our Dedicated Plans' asset categories and their associated fair value within the fair value hierarchy:

	As of September 26, 2014				As of September 27, 2013			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in thousands)							
Equity:								
Equity securities:								
U.S. equity securities(1)	$11,375	$ —	$ —	$11,375	$10,120	$ —	$ —	$10,120
Non-U.S. equity securities(1)	39,710	—	—	39,710	39,631	—	—	39,631
Commingled equity funds(2)	—	10,184	—	10,184	—	7,345	—	7,345
Other(3)	—	9,694	—	9,694	—	14,665	—	14,665
Subtotal	$51,085	$19,878	$ —	$70,963	$49,751	$22,010	$ —	$71,761
Items to reconcile to fair value of plan assets(4)				4,589				526
Fair value of plan assets				$75,552				$72,287

(1) U.S. and non-U.S. equity securities are valued at the closing price reported on the stock exchange on which the individual securities are traded.
(2) Commingled equity funds are pooled investments in multiple equity-type securities. Fair value is calculated as the closing price of the underlying investments, an observable market condition, divided by the number of shares of the fund outstanding.
(3) Other investments are comprised of insurance contracts and short-term investments. Insurance contracts are valued using cash surrender value, or face value of the contract if a cash surrender value is unavailable (level 2). These values represent the amount that the plan would receive on termination of the underlying contract.
(4) Items to reconcile to fair value of plan assets include amounts receivable for securities sold, amounts payable for securities purchased, and any cash balances, considered to be carried at book value, that are held in the plans.

Shared Pension Plans

Certain BNS employees participate in various defined benefit pension plans sponsored by Parent (the "Shared Plans"). Pension expense, calculated as actuarially determined service and interest cost, for BNS employees that participate in these shared plans was $3,361 thousand, $3,419 thousand, and $3,372 thousand in fiscal 2014, 2013, and 2012, respectively. The combined balance sheets do not include any liabilities associated with the Shared Plans.

12. Income Taxes

As previously discussed in Note 2, although certain portions of BNS's operations were historically included as a part of Parent's tax returns, the income tax provision in the combined statements of operations has been calculated as if BNS filed separate income tax returns and was operating as a stand-alone business for each period presented, also known as the separate-return method. Therefore, portions of items such as net operating losses, credit carryforwards, other deferred taxes, uncertain tax positions and valuation allowances may exist in the stand-alone financial statements that may or may not exist in Parent's consolidated financial statements and may not be reflective of BNS's actual tax balances.

Because portions of BNS's operations are included in Parent's tax returns, payments to certain tax authorities are made by Parent, and not by BNS. BNS only maintains taxes payable to/from the taxing authorities for legal entities that are fully dedicated to the BNS business. BNS does not maintain taxes payable to/from Parent and the payments are deemed to settle the annual current tax payable balances immediately with the legal entities paying the tax in the respective jurisdictions. These settlements are reflected as changes in Parent company investment.

Components of the income tax expense (benefit) were as follows:

	Fiscal 2014	Fiscal 2013	Fiscal 2012
	(in thousands)		
Current:			
U.S.:			
Federal	$ (515)	$(10,603)	$ (4,167)
State	4,938	166	(2,103)
Non-U.S.	36,497	46,874	38,669
Current income tax provision	40,920	36,437	32,399
Deferred:			
U.S.:			
Federal	62,271	(72,046)	28,651
State	3,091	332	467
Non-U.S.	(459)	(20,333)	(5,586)
Deferred income tax provision (benefit)	64,903	(92,047)	23,532
Income tax expense (benefit)	$105,823	$(55,610)	$55,931

The U.S. and non-U.S. components of income before income taxes were as follows:

	Fiscal 2014	Fiscal 2013	Fiscal 2012
	(in thousands)		
U.S.	$ (6,982)	$36,803	$ (3,695)
Non-U.S.	186,697	58,972	151,041
Income before income taxes	$179,715	$95,775	$147,346

The reconciliation between U.S. federal income taxes at the statutory rate and provision (benefit) for income taxes on continuing operations was as follows:

	Fiscal		
	2014	2013	2012
	(in thousands)		
Notional U.S. federal income tax provision at the statutory rate	$ 62,900	$ 33,521	$ 51,571
Adjustments to reconcile to the income tax provision (benefit):			
U.S. state income tax provision (benefit), net	5,219	323	(1,063)
Tax credits	(313)	(1,394)	(296)
Non-U.S. net (earnings) loss	1,579	(19,186)	(26,801)
Nondeductible charges	4,656	4,433	1,198
Change in accrued income tax liabilities	966	3,260	3,011
Valuation allowance	29,281	(79,807)	27,659
Other	1,535	3,240	652
Income tax expense (benefit)	$105,823	$(55,610)	$ 55,931

Income tax expense (benefit) for fiscal 2014, 2013, and 2012 reflect expense of $12,430 thousand, a benefit of $98,815 thousand, and expense of $24,260 thousand, respectively, in connection with the changes in the valuation allowance on U.S. federal net operating losses. The valuation allowance analysis relied upon the historical cumulative earnings of the U.S. group to predict future net operating loss utilization. Based upon this assessment of the U.S. federal tax loss carryforwards, we believe that it is more likely than not that a portion of the tax benefit will be realized on the U.S. federal net operating losses. As discussed below, we have established a valuation allowance for the portion of U.S. federal net operating losses that, more likely than not, will not be realized.

Deferred income taxes result from temporary differences between the amount of assets and liabilities recognized for financial reporting and tax purposes. The components of the net deferred income tax asset were as follows:

	Fiscal Year End	
	2014	2013
	(in thousands)	
Deferred tax assets:		
Accrued liabilities and reserves	$ 54,007	$ 62,602
Tax loss and credit carryforwards	474,395	497,798
Inventories	21,849	14,816
Other	764	15,795
	551,015	591,011
Deferred tax liabilities:		
Intangible assets	(108,451)	(110,529)
Property, plant, and equipment	(23,967)	(26,276)
	(132,418)	(136,805)
Net deferred tax asset before valuation allowance	418,597	454,206
Valuation allowance	(238,612)	(206,924)
Net deferred tax asset	$ 179,985	$ 247,282

As of fiscal year end 2014, we had $367,708 thousand of U.S. net operating loss carryforwards (tax effected) and $66,891 thousand of U.S. state net operating loss carryforwards (tax effected) which will expire in future years through 2034.

The valuation allowance of $238,612 thousand and $206,924 thousand as of fiscal year 2014 and 2013, respectively, relates primarily to the uncertainty in the utilization of U.S. net operating loss carryforwards. We believe that we will generate sufficient future taxable income to realize the tax benefits related to the remaining net deferred tax assets. The valuation allowance was calculated in accordance with the provisions of ASC 740, which requires that a valuation allowance be established or maintained when it is more likely than not that all or a portion of deferred tax assets will not be realized.

BNS activities are conducted in various legal entities of Parent and its subsidiaries. These legal entities operate in a variety of taxing jurisdictions and file income tax returns as required. The income tax amounts presented for BNS include certain reasonable allocations of the book/tax differences and tax attributes of these legal entities. Certain U.S. and non-U.S. portions of the BNS business operate within Parent subsidiaries that have net operating loss carryforwards that are available to offset BNS taxable income. In these Combined Financial Statements, the tax impact of the utilization of these net operating losses by BNS operations has been reflected as a decrease to current income taxes payable and a corresponding increase to Parent company investment as we are not required to make payments for the utilization of these net operating losses. In addition, certain BNS non-U.S. operations generated tax losses that were included in profitable Parent subsidiaries. In these Combined Financial Statements we have presented these tax losses as hypothetical tax loss carryforwards, subject to a valuation allowance, if applicable.

The basis of presentation in the Combined Financial Statements is a combination and the tax calculation assumes that there is no parent of this group of companies and no parent subsidiary ownership relationship in the group. Therefore, it is not applicable to estimate the additional income taxes related to permanently reinvested earnings or the basis differences related to investments in subsidiaries.

Uncertain Tax Position Provisions of ASC 740

The unrecognized income tax benefits and related amounts presented below include certain reasonable allocations of tax, interest, and penalties. Tax, interest, and penalties associated with dedicated entities were included in their entirety; for other entities, a combination of specific identification and allocation, as appropriate, was applied.

As of fiscal year end 2014 BNS had total unrecognized income tax benefits of $32,384 thousand. If recognized in future periods, all of these currently unrecognized income tax benefits would impact the income tax provision and effective tax rate. The following table summarizes the activity related to unrecognized income tax benefits:

	Fiscal		
	2014	2013	2012
		(in thousands)	
Balance at beginning of fiscal year	$37,261	$39,911	$45,882
Additions related to prior periods tax positions	746	5,352	3,559
Reductions related to prior periods tax positions	(5,623)	(8,002)	(9,806)
Additions related to current period tax positions	—	—	276
Balance at end of fiscal year	$32,384	$37,261	$39,911

We record accrued interest as well as penalties related to uncertain tax positions as part of the provision for income taxes. As of fiscal year end 2014 and 2013, we had recorded $5,150 thousand and $6,841 thousand, respectively, of accrued interest and penalties related to uncertain tax positions on the combined balance sheets, all of which was recorded in income taxes. During fiscal 2014, 2013, and 2012, we recognized a benefit of $942 thousand, expense of $639 thousand, and expense of $2,265 thousand, respectively, related to interest and penalties on the combined statements of operations.

BNS's operations were included in various income tax returns which were filed on a unitary, consolidated, or stand-alone basis in multiple U.S. jurisdictions, which generally have statutes of limitations ranging from 3 to 4 years.

BNS's non-U.S. operations were included in various income tax returns of non-U.S. subsidiaries which file income tax returns in the countries in which they have operations. Generally, these countries have statutes of limitations ranging from 3 to 10 years.

As of September 26, 2014, under applicable statutes, the following tax years remained subject to examination in the major tax jurisdictions indicated:

Jurisdiction	Open Years
Belgium	2012 through 2014
China	2004 through 2014
Switzerland	2012 through 2014
United Kingdom	2012 through 2014
U.S.—federal and state and local	2011 through 2014

In most jurisdictions, taxing authorities retain the ability to review prior tax years and to adjust any net operating loss and tax credit carryforwards from these years that are utilized in a subsequent period.

Although it is difficult to predict the timing or results of our worldwide examinations, we estimate that up to approximately $3,400 thousand of unrecognized income tax benefits, excluding the impact relating to accrued interest and penalties, could be resolved within the next twelve months.

We are not aware of any other matters that would result in significant changes to the amount of unrecognized income tax benefits reflected on the combined balance sheet as of September 26, 2014.

13. Accumulated Other Comprehensive Income

The changes in each component of accumulated other comprehensive income were as follows:

	Currency Translation	Unrecognized Pension Benefit Costs	Accumulated Other Comprehensive Income
		(in thousands)	
Balance at September 30, 2011	$ 82,118	$ (15,290)	$ 66,828
Net other comprehensive income (loss)	(10,155)	1,551	(8,604)
Income tax expense	—	(496)	(496)
Balance at September 28, 2012	71,963	(14,235)	57,728
Net other comprehensive (loss) income	(6,441)	2,214	(4,227)
Income tax expense	—	(749)	(749)
Balance at September 27, 2013	65,522	(12,770)	52,752
Net other comprehensive income (loss)	(24,330)	1,585	(22,745)
Income tax benefit	—	(543)	(543)
Balance at September 26, 2014	$ 41,192	$ (11,728)	$ 29,464

The effects on net income of amounts reclassified from accumulated other comprehensive income, net of tax were not significant.

14. Share Plans

Equity awards (primarily restricted share awards and share options) granted by Parent to BNS employees are administered by the management development and compensation committee of Parent's board of directors, which consists exclusively of independent directors. Parent's plans, of which the TE Connectivity Ltd. 2007 Stock and Incentive Plan, as amended and restated, is the primary plan, provide for the award of annual performance bonuses and long-term performance awards, including share options, restricted and performance units, deferred stock units, and other share-based awards (collectively, "Awards") and allow for the use of unissued shares or treasury shares to be used to satisfy such Awards.

Share-Based Compensation Expense

Total share-based compensation expense, which was included in general and administrative expenses on the combined statements of operations, was $7,008 thousand, $6,922 thousand, and $6,871 thousand during fiscal 2014, fiscal 2013, and fiscal 2012, respectively. We have recognized a related tax benefit associated with our share-based compensation arrangements of $2,042 thousand, $1,874 thousand, and $1,779 thousand in fiscal 2014, 2013, and 2012, respectively.

Restricted Share Awards

Restricted share awards, which are generally in the form of restricted share units, are granted subject to certain restrictions. Conditions of vesting are determined at the time of grant. All restrictions on an award will lapse upon death or disability of the employee. If the employee satisfies retirement requirements, a portion of the award may vest, depending on the terms and conditions of the particular grant. Recipients of restricted units have no voting rights, but do receive dividend equivalents. For grants that vest through passage of time, the fair value of the award at the time of the grant is amortized to expense over the period of vesting. The fair value of restricted share awards is determined based on the closing value of our shares on the grant date. Restricted share awards generally vest in increments over a period of four years as determined by the management development and compensation committee.

A summary of restricted share award activity is presented below:

	Shares	Weighted-Average Grant-Date Fair Value
Non-vested at September 27, 2013	471,822	$ 34.08
Granted	138,243	51.77
Vested	(185,165)	32.90
Forfeited	(44,700)	37.81
Non-vested at September 26, 2014	380,200	40.77

The weighted-average grant-date fair value of restricted share awards granted during fiscal 2014, 2013, and 2012 was $51.77, $34.95, and $34.46, respectively.

As of September 26, 2014, there was $9,124 thousand of unrecognized compensation cost related to non-vested restricted share awards. The cost is expected to be recognized over a weighted-average period of 1.5 years.

Share Options

Share options are granted to purchase our common shares at prices which are equal to or greater than the market price of the common shares on the date the option is granted. Conditions of vesting are determined at the time of grant. All restrictions on the award will lapse upon death or disability of the employee. If the employee satisfies retirement requirements, a portion of the award may vest, depending on the terms and conditions of the particular grant. Options generally vest and become exercisable in equal annual installments over a period of four years and expire ten years after the date of grant.

A summary of share option award activity is presented below:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at September 27, 2013	629,563	$ 39.43		
Granted	91,650	51.80		
Exercised	(256,197)	39.58		
Expired	(18,284)	45.47		
Forfeited	(55,479)	36.55		
Outstanding at September 26, 2014	391,253	$ 42.36	5.8	$ 6,494
Vested and expected to vest at September 26, 2014	370,721	$ 42.43	5.8	$ 6,129
Exercisable at September 26, 2014	160,263	$ 44.22	2.3	$ 2,397

The weighted-average exercise price of share option awards granted during fiscal 2014, 2013, and 2012 was $51.80, $34.80, and $34.49, respectively.

As of September 26, 2014, there was $1,818 thousand of unrecognized compensation cost related to non-vested share options granted under our share option plans. The cost is expected to be recognized over a weighted-average period of 1.8 years.

Share-Based Compensation Assumptions

The grant-date fair value of each share option grant was estimated using the Black-Scholes-Merton option pricing model. Use of a valuation model requires management to make certain assumptions with respect to selected model inputs. Prior to fiscal 2014, Parent calculated the grant-date fair value of share option awards utilizing the historical share volatility of a composite of peers and implied volatility derived from exchange-traded options on that same composite of peers. Effective for fiscal 2014, as a result of now having historical share price information for a period of time equal to our expected option life assumption, Parent began to employ historical share volatility when calculating the grant-date fair value of share option grants using the Black-Scholes-Merton option pricing model. Currently, Parent does not have exchange-traded options of sufficient duration to employ an implied volatility assumption in the calculation and therefore relies solely on the historical volatility calculation. The change in methodology did not have a significant impact on share-based compensation expense during fiscal 2014. The average expected life was based on the contractual term of the option and expected employee exercise and post-vesting employment termination behavior. The risk-free interest rate was based on U.S. Treasury zero-coupon issues with a remaining term that approximated the expected life assumed at the date of grant. The expected annual dividend per share was based on our expected dividend rate. The recognized share-based compensation expense was net of estimated forfeitures, which are based on voluntary termination behavior as well as an analysis of actual forfeitures.

The weighted-average grant-date fair value of options granted and the weighted-average assumptions we used in the Black-Scholes-Merton option pricing model were as follows:

	Fiscal		
	2014	2013	2012
Weighted-average grant-date fair value	$16.82	$8.75	$9.50
Assumptions:			
Expected share price volatility	39%	34%	36%
Risk free interest rate	1.8%	0.9%	1.3%
Expected annual dividend per share	$ 1.00	$0.85	$0.84
Expected life of options (in years)	6.0	6.0	6.0

The total intrinsic value of options exercised during fiscal 2014, 2013, and 2012 was $4,115 thousand, $5,750 thousand, and $3,103 thousand, respectively. The total fair value of restricted share awards that vested during fiscal 2014, 2013, and 2012 was $6,092 thousand, $6,209 thousand, and $4,015 thousand, respectively.

15. Related Party Transactions, Parent's Net Investment, and Significant Transactions

Related-Party Transactions

All significant intercompany transactions and accounts within BNS's combined businesses have been eliminated. All intercompany transactions between BNS and Parent and/or Parent's other subsidiaries have been included in these Combined Financial Statements as changes in Parent company investment. As the books and records of BNS were not kept on a separate-company basis, the determination of the average net balance due to or from Parent was not practicable.

Corporate Allocations and Parent Company Investment

Historically, Parent has provided services to, and funded certain expenses for BNS that have been included as a direct component of BNS's historical accounting records, such as information technology, global operations, legal, and finance (the "direct allocations"). In addition, the Combined Financial Statements include general corporate expenses of Parent which were not historically allocated to BNS for certain support functions that are provided on a centralized basis within Parent and not recorded at the business unit level ("general corporate expenses"). The general corporate expenses often related to the same or similar functions as the direct allocations, but were not recorded at the business unit level for Parent financial reporting purposes. The general corporate expenses, however, incrementally included amounts related to, for example, corporate employee stock compensation, as well as other corporate costs not specifically benefiting any of Parent's business units. For purposes of these stand-alone financial statements, the general corporate expenses have been allocated to

BNS. The direct allocations and general corporate expenses are included in the combined statements of operations as components of cost of sales; selling expenses; research, development, and engineering expenses; and general and administrative expenses, respectively, and accordingly as a component of business unit equity. These expenses have been allocated to BNS on a pro rata basis of operating income. Management believes the assumptions underlying the Combined Financial Statements, including the assumptions regarding allocating general corporate expenses from Parent, are reasonable. Nevertheless, the Combined Financial Statements may not include all of the actual expenses that would have been incurred and may not reflect BNS's combined results of operations, financial position, and cash flows had it been a stand-alone company during the periods presented. Actual costs that would have been incurred if BNS had been a stand-alone company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure. The corporate allocations made during fiscal 2014, 2013, and 2012 of $131,775 thousand, $123,523 thousand, and $96,353 thousand, respectively, included both general corporate expenses of Parent which were not historically allocated to BNS of $36,650 thousand, $34,353 thousand, and $30,312 thousand, respectively, and the direct allocations historically recorded on BNS's accounting records primarily consisting of approximately $95,125 thousand, $89,170 thousand, and $66,041 thousand, respectively.

All significant intercompany transactions between BNS and Parent are considered to be effectively settled for cash at the time the separation of BNS from Parent is recorded. As discussed above, the total net effect of the settlement of these intercompany transactions is reflected in the combined statements of cash flows as a financing activity and in the combined balance sheets as Parent company investment.

16. Subsequent Events

BNS has evaluated subsequent events through November 12, 2014, the date the Combined Financial Statements were issued. No significant subsequent events have occurred through this date requiring adjustment to the Combined Financial Statements or disclosures.

Exhibit 99.2

THE BROADBAND NETWORK SOLUTIONS
BUSINESS OF TE CONNECTIVITY LTD.
CONDENSED COMBINED FINANCIAL STATEMENTS

As of December 26, 2014 and September 26, 2014 and
for the quarterly periods ended December 26, 2014 and
December 27, 2013

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

INDEX TO CONDENSED COMBINED FINANCIAL STATEMENTS

	Page
Condensed Combined Statements of Operations for the Quarters Ended December 26, 2014 and December 27, 2013 (Unaudited)	3
Condensed Combined Statements of Comprehensive Income for the Quarters Ended December 26, 2014 and December 27, 2013 (Unaudited)	4
Condensed Combined Balance Sheets as of December 26, 2014 and September 26, 2014 (Unaudited)	5
Condensed Combined Statements of Business Unit Equity for the Quarters Ended December 26, 2014 and December 27, 2013 (Unaudited)	6
Condensed Combined Statements of Cash Flows for the Quarters Ended December 26, 2014 and December 27, 2013 (Unaudited)	7
Notes to Condensed Combined Financial Statements (Unaudited)	8

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

CONDENSED COMBINED STATEMENTS OF OPERATIONS

(UNAUDITED)

	For the Quarters Ended	
	December 26, 2014	December 27, 2013
	(in thousands)	
Net sales	$ 417,062	$ 463,983
Cost of sales	266,832	290,599
Gross margin	150,230	173,384
Selling expenses	50,184	59,149
General and administrative expenses	36,982	38,908
Research, development, and engineering expenses	25,082	24,331
Restructuring and other charges, net	1,658	1,714
Operating income	36,324	49,282
Interest income	201	142
Interest expense	(754)	(760)
Income before income taxes	35,771	48,664
Income tax expense	(9,589)	(11,038)
Net income	$ 26,182	$ 37,626

See Notes to Condensed Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

CONDENSED COMBINED STATEMENTS OF COMPREHENSIVE INCOME

(UNAUDITED)

	For the Quarters Ended	
	December 26, 2014	December 27, 2013
	(in thousands)	
Net income	$ 26,182	$ 37,626
Other comprehensive income (loss):		
Currency translation	(22,433)	613
Adjustments to unrecognized pension benefit costs, net of income taxes	994	(166)
Other comprehensive income (loss)	(21,439)	447
Comprehensive income	$ 4,743	$ 38,073

See Notes to Condensed Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

CONDENSED COMBINED BALANCE SHEETS

(UNAUDITED)

	December 26, 2014	September 26, 2014
	(in thousands)	
Assets		
Current assets:		
Cash and cash equivalents	$ 16,975	$ 16,864
Accounts receivable, net of allowance for doubtful accounts of $ 21,940 and $19,301, respectively	312,819	382,046
Inventories	239,212	239,157
Prepaid expenses and other current assets	47,570	70,803
Deferred income taxes	45,303	45,303
Total current assets	661,879	754,173
Property, plant, and equipment, net	197,514	205,500
Goodwill	586,587	588,982
Intangible assets, net	232,852	241,217
Deferred income taxes	171,942	168,423
Other assets	5,799	6,478
Total Assets	$ 1,856,573	$ 1,964,773
Liabilities and Business Unit Equity		
Current liabilities:		
Current maturities of long-term debt	$ 89,474	$ 89,497
Accounts payable	131,155	160,313
Accrued and other current liabilities	144,907	176,986
Deferred revenue	2,104	2,464
Total current liabilities	367,640	429,260
Long-term pension liabilities	7,149	8,409
Deferred income taxes	30,114	30,114
Income taxes	14,056	14,553
Other liabilities	31,952	32,473
Total Liabilities	450,911	514,809
Commitments and contingencies (Note 8)		
Business Unit Equity:		
Parent company investment	1,397,637	1,420,500
Accumulated other comprehensive income	8,025	29,464
Total Business Unit Equity	1,405,662	1,449,964
Total Liabilities and Business Unit Equity	$ 1,856,573	$ 1,964,773

See Notes to Condensed Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

CONDENSED COMBINED STATEMENTS OF BUSINESS UNIT EQUITY

(UNAUDITED)

	Parent Company Investment	Accumulated Other Comprehensive Income	Total Business Unit Equity
		(in thousands)	
Balance at September 26, 2014	$ 1,420,500	$ 29,464	$ 1,449,964
Net income	26,182	—	26,182
Other comprehensive loss	—	(21,439)	(21,439)
Total comprehensive income (loss)	26,182	(21,439)	4,743
Net decrease in Parent company investment	(49,045)	—	(49,045)
Balance at December 26, 2014	$ 1,397,637	$ 8,025	$ 1,405,662
Balance at September 27, 2013	$ 1,473,428	$ 52,752	$ 1,526,180
Net income	37,626	—	37,626
Other comprehensive income	—	447	447
Total comprehensive income	37,626	447	38,073
Net decrease in Parent company investment	(7,774)	—	(7,774)
Balance at December 27, 2013	$ 1,503,280	$ 53,199	$ 1,556,479

See Notes to Condensed Combined Financial Statements.

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

CONDENSED COMBINED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	For the Quarters Ended	
	December 26, 2014	December 27, 2013
	(in thousands)	
Cash Flows From Operating Activities:		
Net income	$ 26,182	$ 37,626
Adjustments to reconcile income to net cash provided by operating activities:		
Depreciation and amortization	15,327	16,645
Non-cash restructuring charges	76	1,061
Deferred income taxes	(3,519)	(2,783)
Provision for losses on accounts receivable and inventories	6,901	7,533
Share-based compensation expense	1,925	1,908
Changes in assets and liabilities		
Accounts receivable, net	58,784	(1,304)
Inventories	(11,350)	(26,717)
Prepaid expenses and other current assets	22,431	2,361
Accounts payable	(27,357)	2,433
Accrued and other current liabilities	(32,108)	(18,341)
Other	(305)	(1)
Net cash provided by operating activities	56,987	20,421
Cash Flows From Investing Activities:		
Capital expenditures	(6,886)	(7,307)
Proceeds from sale of property, plant, and equipment and other	9	(215)
Net cash used in investing activities	(6,877)	(7,522)
Cash Flows From Financing Activities:		
Repayment of long-term debt	(59)	(53)
Net financing activities with Parent and Parent's subsidiaries	(49,079)	(11,360)
Net cash used in financing activities	(49,138)	(11,413)
Effect of currency translation on cash	(861)	(323)
Net increase in cash and cash equivalents	111	1,163
Cash and cash equivalents at beginning of period	16,864	22,473
Cash and cash equivalents at end of period	$ 16,975	$ 23,636

See Notes to Condensed Combined Financial Statements.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation

The unaudited Condensed Combined Financial Statements of the Broadband Network Solutions business ("BNS" or the "Company," which may be referred to as "we, "us," or "our") of TE Connectivity Ltd. ("TE Connectivity" or "Parent") have been prepared in United States ("U.S.") dollars, in accordance with accounting principles generally accepted in the U.S. ("GAAP"). In management's opinion, the unaudited Condensed Combined Financial Statements contain all normal recurring adjustments necessary for a fair presentation of interim results. The results of operations reported for interim periods are not necessarily indicative of the results of operations for the entire fiscal year or any subsequent interim period.

The assets and liabilities in the Condensed Combined Financial Statements have been reflected on a historical cost basis, as included in the historical Condensed Consolidated Balance Sheets of Parent. The Condensed Combined Statements of Operations include allocations for a) certain support functions that are provided on a centralized basis by Parent and historically recorded at the business unit level, as well as b) corporate costs not historically allocated by Parent to the business unit level. These expenses include departmental charges related to executive office, finance, tax, treasury, human resources, information technology, and legal, among others. These expenses have been allocated to BNS on the basis of direct usage when identifiable, with the remainder allocated on a proportional basis of operating income, headcount or other measures of BNS or Parent. Management believes the assumptions underlying the Condensed Combined Financial Statements, including the assumptions regarding allocating general corporate expenses from Parent, are reasonable. Nevertheless, the Condensed Combined Financial Statements may not include the actual expenses that would have been incurred by BNS and may not reflect the combined results of operations, financial position, and cash flows had it been a stand-alone business during the periods presented. Actual costs that would have been incurred had BNS been a stand-alone business would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure.

The year-end balance sheet data was derived from audited financial statements, but does not include all of the information and disclosures required by GAAP. These financial statements should be read in conjunction with our audited Combined Financial Statements for the fiscal year ended September 26, 2014.

Unless otherwise indicated, references in the Condensed Combined Financial Statements to fiscal 2015 and fiscal 2014 are to our fiscal years ending September 25, 2015 and September 26, 2014, respectively.

2. Restructuring and Other Charges, Net

Restructuring and other charges, net consist primarily of restructuring charges related to employee severance.

Activity in our restructuring reserves during the first quarter of fiscal 2015 is summarized as follows:

	Balance at Beginning of Period	Charges	Changes in Estimate	Cash Payments	Non-Cash Items and Other(1)	Balance at End of Period
	(in thousands)					
Fiscal 2014 Actions	$ 11,101	$ 76	$ 2	$ (1,039)	$ (392)	$ 9,748
Pre-Fiscal 2014 Actions	44,930	1,469	52	(6,348)	(1,802)	38,301
Total Fiscal 2015 activity	$ 56,031	$1,545	$ 54	$ (7,387)	$ (2,194)	$ 48,049

(1) Includes non-cash charges associated with asset write-offs and the effects of currency translation.

Activity in our restructuring reserves during the first quarter of fiscal 2014 is summarized as follows:

	Balance at Beginning of Period	Charges	Changes in Estimate	Cash Payments	Non-Cash Items and Other(1)	Balance at End of Period
				(in thousands)		
Fiscal 2013 Actions	$ 63,864	$2,026	$ (11)	$ (4,605)	$ 467	$ 61,741
Pre-Fiscal 2013 Actions	14,558	332	(633)	(2,261)	37	12,033
Total Fiscal 2014 activity	$ 78,422	$2,358	$ (644)	$ (6,866)	$ 504	$ 73,774

(1) Includes non-cash charges associated with asset write-offs and the effects of currency translation.

Fiscal 2014 Actions

During fiscal 2014, we initiated a restructuring program associated with headcount reductions and manufacturing site closures. In connection with this program, during the quarter ended December 26, 2014, we recorded net restructuring charges of $78 thousand, primarily related to manufacturing site closures. We expect to complete all restructuring programs commenced in fiscal 2014 by the end of fiscal 2015. As of December 26, 2014, we do not expect to incur any additional charges related to restructuring actions commenced in fiscal 2014.

Pre-Fiscal 2014 Actions

In connection with the restructuring actions initiated prior to fiscal 2014, during the quarters ended December 26, 2014 and December 27, 2013, we recorded net restructuring charges of $1,521 thousand and $1,714 thousand, respectively. As of December 26, 2014, we expect to incur additional charges of approximately $1,077 thousand related to pre-fiscal 2014 actions.

Total Restructuring Reserves

Restructuring reserves included on the Condensed Combined Balance Sheets were as follows:

	December 26, 2014	September 26, 2014
	(in thousands)	
Accrued and other current liabilities	$ 35,201	$ 43,182
Other liabilities	12,848	12,849
Restructuring reserves	$ 48,049	$ 56,031

3. Inventories

Inventories consisted of the following:

	December 26, 2014	September 26, 2014
	(in thousands)	
Raw materials	$ 42,542	$ 46,267
Work in progress	54,550	61,484
Finished goods	142,120	131,406
Inventories	$ 239,212	$ 239,157

4. Goodwill

The changes in the carrying amount of goodwill were as follows:

	(in thousands)
September 26, 2014(1)	$ 588,982
Currency translation	(2,395)
December 26, 2014(1)	$ 586,587

(1) As of September 26, 2014 and December 26, 2014, there were no accumulated impairment losses related to the BNS reporting units.

5. Intangible Assets, Net

Intangible assets consisted of the following:

	December 26, 2014			September 26, 2014		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(in thousands)					
Intellectual property	$232,520	$ (109,412)	$123,108	$229,623	$ (105,466)	$124,157
Customer relationships	168,982	(62,708)	106,274	169,577	(58,836)	110,741
Other	6,211	(2,741)	3,470	8,927	(2,608)	6,319
Total	$407,713	$ (174,861)	$232,852	$408,127	$ (166,910)	$241,217

Intangible asset amortization expense was $7,772 thousand and $7,702 thousand during the first quarters of fiscal 2015 and 2014, respectively.

The aggregate amortization expense on intangible assets is expected to be as follows:

	(in thousands)
Remainder of fiscal 2015	$ 23,211
Fiscal 2016	30,885
Fiscal 2017	30,868
Fiscal 2018	30,868
Fiscal 2019	30,868
Fiscal 2020	29,887
Thereafter	56,265
Total	$ 232,852

6. Accrued and Other Current Liabilities

Accrued and other current liabilities consisted of the following:

	December 26, 2014	September 26, 2014
	(in thousands)	
Accrued payroll and employee benefits	$ 45,215	$ 69,076
Restructuring reserves	35,201	43,182
Value-added and other duties and taxes payable	22,405	24,125
Income taxes payable	8,542	6,542
Deferred income taxes	3,627	3,627
Other	29,917	30,434
Accrued and other current liabilities	$ 144,907	$ 176,986

7. Debt

Debt, which is principally reflected in current maturities of long-term debt on the Condensed Combined Balance Sheets at December 26, 2014 and September 26, 2014, consists primarily of 3.50% convertible subordinated notes (the “2015 Notes”) due in July 2015. Parent will provide the funds, via an increase in Parent company investment, necessary to repay the 2015 Notes.

8. Commitments and Contingencies

Legal Proceedings

In the ordinary course of business, we are subject to various legal proceedings and claims, including patent infringement claims, product liability matters, employment disputes, disputes on agreements, other commercial disputes, environmental matters, antitrust claims, and tax matters, including non-income tax matters such as value added tax, sales and use tax, real estate tax, and transfer tax. Although it is not feasible to predict the outcome of these proceedings, based upon our experience, current information, and applicable law, we do not expect that the outcome of these proceedings, either individually or in the aggregate, will have a material effect on our results of operations, financial position, or cash flows.

9. Retirement Plans

Defined Benefit Pension Plans

The net periodic pension benefit cost for pension plans that were fully dedicated to the BNS business was as follows:

	December 26, 2014	December 27, 2013
	(in thousands)	
Service cost	$ 1,118	$ 1,031
Interest cost	502	646
Expected return on plan assets	(1,067)	(1,152)
Amortization of net actuarial loss	122	151
Amortization of prior service cost	60	—
Net periodic pension benefit cost	$ 735	$ 676

Shared Pension Plans

Certain BNS employees participate in various defined benefit pension plans sponsored by Parent (the "Shared Plans"). Pension expense, calculated as actuarially determined service and interest cost, for BNS employees that participate in these shared plans was $717 thousand and $839 thousand in the first quarters of fiscal 2015 and 2014, respectively. The Condensed Combined Balance Sheets do not include any liabilities associated with the Shared Plans.

10. Income Taxes

We recorded income tax provisions of $9,589 thousand and $11,038 thousand for the quarters ended December 26, 2014 and December 27, 2013, respectively. The tax provisions reflect income tax benefits recognized in connection with the profitability of certain entities operating in lower tax jurisdictions.

We record accrued interest as well as penalties related to uncertain tax positions as part of the provision for income taxes. As of December 26, 2014, we had recorded $4,806 thousand of accrued interest and penalties related to uncertain tax positions, all of which was recorded in income taxes on the Condensed Combined Balance Sheet. During the three months ended December 26, 2014, we recognized $200 thousand of expense related to interest and penalties on the Condensed Combined Statement of Operations. As of September 26, 2014, the balance of accrued interest and penalties was $5,150 thousand, all of which was recorded in income taxes on the Condensed Combined Balance Sheet.

BNS's U.S. operations were included in various income tax returns which were filed on a unitary, consolidated, or stand-alone basis in multiple U.S. jurisdictions, which generally have statutes of limitations ranging from 3 to 4 years.

BNS's non-U.S. operations were included in various income tax returns of non-U.S. subsidiaries which file income tax returns in the countries in which they have operations. Generally, these countries have statutes of limitations ranging from 3 to 10 years.

Although it is difficult to predict the timing or results of our worldwide examinations, we estimate that up to approximately $2,200 thousand of unrecognized income tax benefits, excluding the impact relating to accrued interest and penalties, could be resolved within the next twelve months.

We are not aware of any other matters that would result in significant changes to the amount of unrecognized income tax benefits reflected on the Condensed Combined Balance Sheet as of December 26, 2014.

11. Share Plans

Total share-based compensation expense, which was included in general and administrative expenses on the Condensed Combined Statements of Operations, was $1,925 thousand and $1,908 thousand during the first quarters of fiscal 2015 and 2014, respectively.

12. Related Party Transactions, Parent's Net Investment, and Significant Transactions

Related Party Transactions

All significant intercompany transactions and accounts within BNS's combined businesses have been eliminated. All intercompany transactions between BNS and Parent and/or Parent's other subsidiaries have been included in the Condensed Combined Financial Statements as changes in Parent company investment. As the books and records of BNS were not kept on a separate-company basis, the determination of the average net balance due to or from Parent was not practicable.

Corporate Allocations and Parent Company Investment

Historically, Parent has provided services to, and funded certain expenses for BNS that have been included as a direct component of BNS's historical accounting records, such as information technology, global operations, legal, and finance (the "direct allocations"). In addition, the Condensed Combined Financial Statements include general corporate expenses of Parent which were not historically allocated to BNS for certain support functions that are provided on a centralized basis within Parent and not recorded at the business unit level ("general corporate expenses"). The general corporate expenses often related to the same or similar functions as the direct allocations, but were not recorded at the business unit level for Parent financial reporting purposes. For purposes of these stand-alone financial statements, the general corporate expenses have been allocated to BNS. The direct allocations and general corporate expenses are included in the Condensed Combined Statements of Operations as components of cost of sales; selling expenses; research, development, and engineering expenses; and general and administrative expenses, respectively, and accordingly, as a component of business unit equity. These expenses have been allocated to BNS on a pro rata basis of operating income. Management believes the assumptions underlying the Condensed Combined Financial Statements, including the assumptions regarding allocating general corporate expenses from Parent, are reasonable. Nevertheless, the Condensed Combined Financial Statements may not include all of the actual expenses that would have been incurred and may not reflect BNS's combined results of operations, financial position, and cash flows had it been a stand-alone company during the periods presented. Actual costs that would have been incurred if BNS had been a stand-alone company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure. The corporate allocations made during the first quarters of fiscal 2015 and 2014 of $37,803 thousand and $32,207 thousand, respectively, included both general corporate expenses of Parent which were not historically allocated to BNS of $10,458 thousand, and $8,125 thousand, respectively, and the direct allocations historically recorded on BNS's accounting records of $27,345 thousand and $24,082 thousand, respectively.

All significant intercompany transactions between BNS and Parent are considered to be effectively settled for cash at the time the separation of BNS from Parent is recorded. As discussed above, the total net effect of the settlement of these intercompany transactions is reflected in the Condensed Combined Statements of Cash Flows as a financing activity and in the Condensed Combined Balance Sheets as Parent company investment.

13. Subsequent Events

BNS has evaluated subsequent events through February 13, 2015, the date the Condensed Combined Financial Statements were issued.

On January 27, 2015, Parent entered into a definitive agreement to sell BNS for $3 billion in cash, subject to a final working capital adjustment. The transaction is expected to close during calendar 2015 contingent on customary closing conditions and regulatory approvals. No other significant subsequent events have occurred through this date requiring adjustment to the Condensed Combined Financial Statements or disclosures.

Exhibit 99.3

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

On January 27, 2015, CommScope Holding Company, Inc. (CommScope) announced that it had entered into an agreement to acquire TE Connectivity's Telecom, Enterprise and Wireless business, also known as their Broadband Network Solutions business (BNS) in an all-cash transaction valued at approximately $3.0 billion.

The following Unaudited Pro Forma Condensed Combined Financial Statements are based on the historical financial statements of CommScope and BNS. The Unaudited Pro Forma Condensed Combined Financial Statements are prepared using the acquisition method of accounting with CommScope treated as the acquirer and as if the acquisition had been completed on January 1, 2014 for purposes of the pro forma condensed combined statement of operations and on December 31, 2014 for purposes of the pro forma condensed combined balance sheet. The pro forma condensed combined balance sheet as of December 31, 2014 is based on CommScope's consolidated balance sheet as of December 31, 2014 and BNS' combined balance sheet as of its fiscal year end of September 26, 2014. The pro forma condensed combined statement of operations for the year ended December 31, 2014 is based on CommScope's consolidated statement of operations for the year ended December 31, 2014 and BNS' combined statement of operations for its fiscal year ended September 26, 2014. Therefore, BNS' combined balance sheet as of December 26, 2014 and combined results of operations for the three months ended December 26, 2014 do not appear in the pro forma financial statements.

As of the date of this filing, CommScope has not performed the detailed valuation studies necessary to derive the required estimates of the fair market value of the BNS assets to be acquired and liabilities to be assumed and the related allocations of the purchase price, nor has CommScope identified the adjustments necessary, if any, to conform BNS accounting policies to those of CommScope. As indicated in Note 3 to the Unaudited Pro Forma Condensed Combined Financial Statements, CommScope has made certain adjustments to the historical book values of the assets and liabilities of BNS to reflect preliminary estimates of the fair values necessary to prepare the Unaudited Pro Forma Condensed Combined Financial Statements, with the excess of the estimated purchase price over the net assets of BNS, as adjusted to reflect estimated fair values, recorded as goodwill. Actual results are expected to differ from these Unaudited Pro Forma Condensed Combined Financial Statements once CommScope has determined the final purchase price for BNS, completed the valuation studies necessary to finalize the required purchase price allocations and identified any necessary conforming accounting changes for BNS. Such differences may be material.

These Unaudited Pro Forma Condensed Combined Financial Statements should be read in conjunction with:

- CommScope's audited consolidated financial statements and related notes thereto contained in CommScope's Annual Report on Form 10-K for the year ended December 31, 2014 and
- The audited combined financial statements of the BNS Business of TE Connectivity Ltd. as of September 26, 2014 and September 27, 2013 and for the years ended September 26, 2014, September 27, 2013 and September 28, 2012 included in Exhibit 99.1 to this Current Report on Form 8-K.

The Unaudited Pro Forma Condensed Combined Financial Statements are not intended to represent or be indicative of the consolidated results of operations or financial condition of the combined company that would have been reported had the acquisition been completed as of the dates presented, and should not be taken as being representative of the future consolidated results of operations or financial condition of the combined company.

The Unaudited Pro Forma Condensed Combined Financial Statements do not include the realization of any future cost savings or synergies or restructuring or integration charges that are expected to result from the BNS acquisition.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of December 31, 2014
(In thousands)

	Historical CommScope	Historical BNS	Pro Forma Adjustments		Pro Forma Condensed Combined
Assets					
Cash and cash equivalents	$ 729,321	$ 16,864	$ (57,778)	A	$ 688,407
Accounts receivable, net	612,007	382,046			994,053
Inventories, net	367,185	239,157	44,317	B	650,659
Prepaid expenses and other current assets	67,875	70,803			138,678
Deferred income taxes	51,230	45,303	23,485	C	120,018
Total current assets	1,827,618	754,173	10,024		2,591,815
Property, plant and equipment, net	289,371	205,500	78,344	D	573,215
Goodwill	1,451,887	588,982	(588,982)	E	2,792,065
			1,340,178	F	
Other intangible assets, net	1,260,927	241,217	(241,217)	E	2,410,927
			1,150,000	G	
Other noncurrent assets	126,082	174,901	(87,536)	H	304,581
			58,750	I	
			32,384	J	
Total Assets	$4,955,885	$1,964,773	$ 1,751,945		$8,672,603
Liabilities and Stockholders' Equity					
Accounts payable	$ 177,806	$ 160,313	$ —		$ 338,119
Other accrued liabilities	289,006	179,450	42,000	K	562,047
			51,591	L	
Current portion of long-term debt	9,001	89,497	15,000	M	113,498
Total current liabilities	475,813	429,260	108,591		1,013,664
Long-term debt	2,698,724	89	2,970,000	M	5,668,813
Deferred income taxes	339,945	30,114	153,543	C	523,602
Other noncurrent liabilities	133,784	55,346			189,130
Total Liabilities	3,648,266	514,809	3,232,134		7,395,209
Commitments and contingencies					
Stockholders' equity:					
Preferred stock	—	—			—
Common stock	1,888	—			1,888
Additional paid-in capital	2,141,433	1,420,500	(1,420,500)	N	2,141,433
Retained earnings (accumulated deficit)	(741,519)	—	(30,225)	O	(771,744)
Accumulated other comprehensive income (loss)	(83,548)	29,464	(29,464)	N	(83,548)
Treasury stock, at cost	(10,635)	—			(10,635)
Total stockholders' equity	1,307,619	1,449,964	(1,480,189)		1,277,394
Total Liabilities and Stockholders' Equity	$4,955,885	$1,964,773	$ 1,751,945		$8,672,603

See accompanying notes to unaudited pro forma condensed combined financial statements.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Fiscal Year Ended December 31, 2014
(In thousands, except per share amounts)

	Historical CommScope	Historical BNS	Pro Forma Adjustments		Pro Forma Condensed Combined
Net sales	$3,829,614	$1,938,739	$ —		$5,768,353
Operating costs and expenses:					
Cost of sales	2,432,345	1,235,469	(30,701)	P	3,647,868
			10,755	Q	
Selling, general and administrative	484,891	383,080	1,434	Q	877,897
			8,492	R	
Research and development	125,301	99,038	2,151	Q	226,490
Amortization of purchased intangible assets	178,265	—	119,345	S	297,610
Restructuring costs, net	19,267	39,176			58,443
Asset impairments	12,096	—			12,096
Total operating costs and expenses	3,252,165	1,756,763	111,476		5,120,404
Operating income	577,449	181,976	(111,476)		647,949
Other expense, net	(86,405)	—			(86,405)
Interest expense	(178,935)	(3,015)	(180,372)	T	(362,322)
Interest income	4,954	754	(532)	U	5,176
Income (loss) before income taxes	317,063	179,715	(292,380)		204,398
Income tax (expense) benefit	(80,291)	(105,823)	101,801	V	(71,883)
			12,430	W	
Net income	$ 236,772	$ 73,892	$(178,149)		$ 132,515
Earnings per share:					
Basic	$ 1.27				$ 0.71
Diluted	$ 1.24				$ 0.69
Weighted average shares outstanding:					
Basic	186,905				186,905
Diluted	191,450				191,450

See accompanying notes to unaudited pro forma condensed combined financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS
(In thousands, unless otherwise noted)

NOTE 1: BUSINESS COMBINATION

CommScope will account for the BNS acquisition using the acquisition method of accounting. The pro forma adjustments reflect preliminary estimates of the purchase price allocation, which are expected to change upon finalization of appraisals and other valuation studies. The final allocation will be based on the actual purchase price and the assets and liabilities that exist as of the date of the BNS acquisition. The final adjustments could be materially different from the unaudited pro forma adjustments presented herein.

The Unaudited Pro Forma Condensed Combined Financial Statements presented herein reflect the purchase price of $3.0 billion (adjusted for cash acquired and debt assumed, among other items). Although the purchase price is subject to a customary working capital adjustment, no such pro forma adjustment is reflected herein. See Note 2 for further discussion of the purchase price.

The Unaudited Pro Forma Condensed Combined Statement of Operations also includes certain accounting adjustments related to the acquisition that are expected to have a continuing impact on the combined results, such as increased depreciation and amortization of the acquired tangible and intangible assets, increased interest expense on the debt expected to be incurred to complete the acquisition, decreased interest income related to the expected use of cash and cash equivalents to complete the acquisition, amortization of deferred financing fees and accretion of original issue discounts incurred in connection with the additional debt and the tax impact of these pro forma adjustments.

The Unaudited Pro Forma Condensed Combined Statement of Operations does not reflect certain adjustments that are expected to result from the acquisition because they are considered to be of a non-recurring nature. These include the increased cost of goods sold that is expected to result from the write-up of the acquired inventory to its estimated fair value and transaction and integration costs expected to be incurred related to the acquisition.

CommScope expects to realize synergies following the acquisition that are not reflected in the pro forma adjustments. Such synergies may include certain costs that have historically been allocated to the BNS business. No assurance can be given with respect to the ultimate level of such synergies and the timing of their realization. CommScope expects to incur integration and restructuring costs in conjunction with the integration of BNS. No adjustment for such costs has been reflected in the pro forma adjustments. Integration and restructuring costs recognized after the acquisition could be material to CommScope’s financial position and results of operations.

NOTE 2: PURCHASE PRICE AND FINANCING

For purposes of preparing the Unaudited Pro Forma Condensed Combined Financial Statements, the estimated purchase price has been allocated based on the estimated fair value of assets acquired and liabilities assumed. The final purchase price allocation will be based on the estimated fair values of the assets acquired and liabilities assumed at the completion of the BNS acquisition and could vary significantly from the pro forma amounts due to various factors, including but not limited to, changes in the composition of BNS’ assets and liabilities, revisions to the estimated fair value of identified intangible assets acquired and changes in interest rates. Accordingly, the preliminary estimated fair values of these assets and liabilities are subject to change pending additional information that may be developed by CommScope and BNS. Allocation of an increased portion of the purchase price to inventory, property, plant and equipment and any identifiable intangible asset with a finite life will reduce the amount of purchase price allocated to goodwill in the Unaudited Pro Forma Condensed Combined Financial Statements and may result in increased depreciation and/or amortization expense, which could be material.

The purchase price reflected in the pro forma condensed combined financial statements consists of the following:

Base purchase price	$3,000,000
Less: BNS debt assumed	(89,586)
Plus: BNS cash acquired	16,864
Plus: Pension adjustment (Note 3. L)	51,591
Plus: Deal related severance payable to seller	8,000
Total purchase price	$2,986,869

To finance the BNS acquisition, CommScope expects to borrow up to $3.0 billion, composed of up to $1.5 billion in senior notes and up to $1.5 billion of additional senior secured term loans. CommScope may be required to begin incurring interest on the new debt by July 2015, even though the transaction may not have closed. For purposes of the pro forma financial statements, the senior notes and the senior secured term loan are assumed to have a weighted average interest rate of 5.50%. To the extent the senior notes and term loan are funded prior to closing the BNS acquisition or the actual interest rates are higher than estimated, additional interest expense will be incurred and such expense could be material. See note T below.

PURCHASE PRICE ALLOCATION

Book value of net assets acquired	$1,449,964
Less: Write off of BNS existing intangibles and goodwill, net of deferred tax	(721,748)
Less: Remove U.S. net operating losses and tax credit carryforwards not acquired	(195,987)
Establish asset for seller's indemnification of income tax liabilities	32,384
Establish liability for estimated statutory change in control payments	(42,000)
Adjusted book value of net assets acquired	522,613
Allocation of purchase price over adjusted book value:	
Increase inventory to estimated fair value	44,317
Increase property, plant and equipment to estimated fair value	78,344
Identifiable intangible assets at estimated fair value	1,150,000
Increase in net deferred tax liabilities	(148,583)
Goodwill	1,340,178
Total purchase price	$2,986,869

NOTE 3: PRO FORMA ADJUSTMENTS

A. Reflects the use of cash and cash equivalents of the combined entity to fund a portion of the acquisition costs. The amount of cash available to fund the acquisition at the closing of the transaction will depend on the operating results, working capital needs and capital expenditures prior to the closing, among other factors. To the extent that the amount borrowed to finance the acquisition is less than the $3.0 billion presented herein, additional existing cash and cash equivalents will be used to fund the acquisition and related costs. For each $100.0 million reduction in borrowings, annual interest expense would be reduced by an estimated $5.7 million (based on the weighted average interest rate assumptions above). The table below summarizes the expected sources and uses of cash related to the BNS acquisition.

Summary of expected Sources and Uses of Cash

New term loan (net of OID)	$1,485,000	Total purchase price	$2,986,869
New senior notes	1,500,000	Purchase price payable (Note 3. L)	(51,591)
Cash on hand	57,778	Transaction costs	48,750
		Debt issuance costs	58,750
Total Sources	$3,042,778	Total Uses	$3,042,778

The use of cash on hand does not reflect the amounts that may be used to settle the debt assumed in the acquisition or payment of the statutory change in control liabilities established as of the acquisition date.

B. Reflects an adjustment to record the BNS inventory at its estimated fair value. For purposes of the pro forma balance sheet as of December 31, 2014, CommScope estimated the fair value of the BNS inventory based on BNS' historical gross margin percentages and costs associated with selling activities. The actual adjustment recorded to reflect the estimated fair market value of the BNS inventory as of the acquisition date may differ materially from the pro forma adjustment.

C. Reflects the current and non-current deferred tax impacts of the pro forma adjustments related to the acquired assets and liabilities. The current deferred tax asset adjustment relates to the net impact of the inventory adjustment (note B), certain costs expensed upon acquisition (note O) and the tax effect of the pro forma adjustment for certain accrued liabilities assumed (note K). The non-current deferred tax liability adjustment represents the net impact of the property, plant and equipment adjustment (note D) and the tax impact of the pro forma adjustment for certain intangible assets (note G).

D. Reflects the adjustment of the BNS property, plant and equipment to its estimated fair value as of December 31, 2014. CommScope's adjustment is based on historical experience of similar acquisitions. The final adjustment to the BNS property, plant and equipment as of the acquisition date will be developed based on a more detailed analysis and the assistance of independent third party appraisers.

E. Reflects the adjustment to eliminate the identified intangible assets (net of accumulated amortization) and goodwill from the BNS balance sheet as of December 31, 2014.

F. Reflects the recognition of goodwill for the excess of purchase price over the estimated fair value of the identifiable net assets to be acquired. See the Purchase Price Allocation set forth in Note 2.

G. Reflects the estimated fair value of identifiable intangible assets as of December 31, 2014. CommScope estimated the fair value of identifiable intangible assets by reference to what are believed to be acquisitions of comparable companies and the relationship of identifiable intangible assets to purchase price for the reference transactions. The identifiable intangible assets and their related useful lives are estimated as follows:

Identifiable Intangible Asset	Estimated Value (in millions)	Estimated Useful Life (in years)
Patents and technology	$ 325	7
Trademarks	150	9
Customer contracts and relationships	675	12

The identifiable intangible assets determined as of the acquisition date, their values and their useful lives are expected to differ from these pro forma estimates and such differences may be material.

H. Reflects the elimination of deferred tax assets related to U.S. net operating loss and tax credit carryforwards not acquired (net of the related valuation allowance for these deferred tax assets) and the elimination of the deferred tax liability related to the BNS intangible assets (note E).

I. Reflects the estimated deferred financing costs expected to be recognized by CommScope in conjunction with issuing debt to fund the acquisition.

J. Reflects the establishment of an asset for the seller's indemnification for certain pre-closing income tax liabilities.

K. Reflects the maximum amount due for estimated employee-related liabilities, including statutory change in control payments that may be paid as a result of the transaction.

L. Reflects additional purchase price payable related to the BNS net pension liability. CommScope is obligated to assume up to $60 million of net pension and related liabilities. To the extent net pension and related liabilities of less than $60 million are assumed, CommScope would owe such shortfall as additional purchase price. For purposes of these pro forma financial statements it is assumed that the excess of $60 million over the recorded net pension liability of $8.4 million would result in $51.6 million additional purchase price. To the extent that additional pension and related liabilities are assumed as of the acquisition date, there would be an offsetting reduction in the purchase price payable.

M. Reflects the current and long-term portion of debt expected to be incurred to finance the acquisition. CommScope has entered into a commitment letter with a number of financial institutions to fund the acquisition. The debt reflected in the pro forma adjustment consists of $1.5 billion of senior notes and $1.5 billion of senior secured term loans, net of an estimated one percent original issue discount (OID) on the term loans. The current portion represents the anticipated one percent required annual repayment of the term loans. To the extent that the issuance of senior notes yields less than $1.5 billion, a senior unsecured bridge loan facility of up to $1.5 billion may be utilized.

N. Reflects the elimination of the separate components of BNS' equity.

O. Reflects estimated acquisition-related costs of $30.0 million and fees associated with the bridge financing of $18.8 million charged to expense at the time of acquisition, net of related income tax benefit. This pro forma adjustment reflects the expectation that the bridge loan facility will not be utilized. The initial interest rate for the bridge loan facility is LIBOR plus 6.00%, with a LIBOR floor of 0.75%. Under certain circumstances, the interest rate on the bridge loan facility could be higher, subject to an agreed upon cap.

P. Reflects the reversal of the amortization of identifiable intangible assets previously recorded by BNS that are eliminated in adjustment E above.

Q. Reflects the estimated additional depreciation as a result of increasing the value of BNS' property, plant and equipment to estimated fair value (note D). The adjustment assumes an estimated 30-year life for building and improvements and a 5-year weighted average life for machinery and equipment assets. The allocation among income statement line items is based on an estimate of asset utilization.

R. Reflects the estimated incremental equity-based compensation expense for grants expected to be made as of the acquisition date to TE Connectivity employees transferring to CommScope.

S. Reflects the estimated amortization expense of identifiable intangible assets, based on the preliminary valuation and estimated useful lives per note G above.

T. Reflects the estimated interest expense (including amortization of deferred financing fees and original issue discount) associated with the debt expected to be incurred to fund the acquisition as per note M above, using the estimated weighted average interest rate of 5.50% for the new term loans and the new senior notes and an estimated incremental increase in the interest rate on the existing CommScope term loans. The interest rate on CommScope's existing term loans is LIBOR plus a margin of 2.50%. The 2018 term loan has a LIBOR floor of 0.75%. To the extent the margin on the new term loans exceeds the 2.50% margin on CommScope's existing term loans by more than 0.50%, the interest rate on CommScope's existing term loans will be adjusted to the margin on the new term loan less 0.50%. The effect of a 25 basis point increase in the estimated interest rates on the new debt would result in an estimated $9.7 million increase in pretax interest expense for the year ended December 31, 2014 (including the impact on the existing term loans of a 25 basis point increase in the margin on the new term loan).

U. Reflects the reversal of interest income recognized by CommScope and BNS related to the cash assumed to be used to fund the acquisition per note A above.

V. Reflects the income tax impact of the pro forma adjustments at their estimated effective tax rates.

W. Reflects the elimination from the BNS historical tax provision of the estimated additional valuation allowance established related to certain net operating loss and tax credit carryforwards not acquired and eliminated in note H above.

Exhibit 99.4

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the year ended September 26, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Combined Financial Statements and the accompanying notes. The following discussion may contain forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements as a result of many factors, including but not limited to those under the heading "Forward-Looking Information."

Our Combined Financial Statements have been prepared in United States ("U.S.") dollars, in accordance with accounting principles generally accepted in the U.S. ("GAAP"). Unless otherwise indicated, reference to "we", "us," and "our" refer to the Broadband Network Solutions business ("BNS") and its combined operations, which is a business of TE Connectivity Ltd. ("Parent").

The following discussion includes organic net sales growth which is a non-GAAP financial measure. We believe this non-GAAP financial measure, together with the most comparable GAAP financial measure, provides useful information because it reflects a financial measure that management uses in evaluating the underlying results of our operations. See "Non-GAAP Financial Measure" for more information about this non-GAAP financial measure, including our reasons for including the measure and material limitations with respect to the usefulness of the measure.

Results of Operations

Net sales, operating income, and operating margin were as follow:

	Fiscal	
	2014	2013
	($ in thousands)	
Net sales	$1,938,739	$1,890,014
Operating income	$ 181,976	$ 98,470
Operating margin	9.4%	5.2%

The following table sets forth net sales by primary industry end market:

	Fiscal	
	2014	2013
Telecom Networks	68%	67%
Enterprise Networks	32	33
Total	100%	100%

The following table provides an analysis of the change in net sales by primary industry end market:

	Change in Net Sales for Fiscal 2014 versus Net Sales for Fiscal 2013			
	Organic		Translation	Total	
	($ in thousands)				
Telecom Networks	$ 33,017	2.6%	$ 3,810	$ 36,827	2.9%
Enterprise Networks	25,078	4.2	(13,180)	11,898	2.0
Total	$ 58,095	3.1%	$ (9,370)	$ 48,725	2.6%

Net Sales. Net sales increased $48,725 thousand, or 2.6%, to $1,938,739 thousand in fiscal 2014 from $1,890,014 thousand in fiscal 2013. On an organic basis, net sales increased $58,095 thousand, or 3.1%, in fiscal 2014 from fiscal 2013. The weakening of certain foreign currencies negatively affected net sales by $9,370 thousand in fiscal 2014 as compared to fiscal 2013.

In the telecom networks end market, our organic net sales increased 2.6% in fiscal 2014 from fiscal 2013 due primarily to growth in the fiber business in the EMEA region, partially offset by declines in the Asia–Pacific and, to a lesser degree, the Americas regions. In the enterprise networks end market, our organic net sales increased 4.2% in fiscal 2014 from fiscal 2013 as a result of growth in India and data center growth in North America.

Gross Margin. In fiscal 2014, gross margin was $703,270 thousand, reflecting a $46,621 thousand increase from gross margin of $656,649 thousand in fiscal 2013. The increase resulted primarily from higher volume, savings from restructuring actions, and, to a lesser degree, improved manufacturing productivity, partially offset by price erosion. Gross margin as a percentage of net sales increased to 36.3% in fiscal 2014 from 34.7% in fiscal 2013.

Selling Expenses. Selling expenses increased $9,918 thousand to $238,449 thousand in fiscal 2014 from $228,531 thousand in fiscal 2013. The increase resulted primarily from increased selling expenses to support higher sales levels. Selling expenses as a percentage of net sales increased to 12.3% in fiscal 2014 from 12.1% in fiscal 2013.

General and Administrative Expenses. General and administrative expenses were $144,631 thousand and $144,450 thousand in fiscal 2014 and 2013, respectively. Savings related to cost control measures and a favorable one-time legal settlement were offset by higher overhead costs. General and administrative expenses as a percentage of net sales decreased to 7.5% in fiscal 2014 from 7.6% in fiscal 2013.

Research, Development, and Engineering Expenses. Research, development, and engineering expenses increased $4,206 thousand to $99,038 thousand in fiscal 2014 from $94,832 thousand in fiscal 2013. The increase was a result of our continued focus on developing future technologies within the business. Research, development, and engineering expenses as a percentage of net sales were 5.1% and 5.0% in fiscal 2014 and fiscal 2013, respectively.

Restructuring Charges, Net. Net restructuring charges decreased $51,190 thousand to $39,176 thousand in fiscal 2014 from $90,366 thousand in fiscal 2013, respectively. During fiscal 2014, we initiated a restructuring program primarily associated with headcount reductions. During fiscal 2013, we initiated a restructuring program associated with headcount reductions and manufacturing site closures. See Note 3 to the Combined Financial Statements for additional information regarding net restructuring charges.

Operating Income. Operating income increased $83,506 thousand to $181,976 thousand in fiscal 2014 from $98,470 thousand in fiscal 2013. Excluding the net restructuring charges discussed above, operating income increased as a result of higher volume, partially offset by price erosion and certain investments in the business.

Interest Expense, Net. Net interest expense decreased $434 thousand to $2,261 thousand in fiscal 2014 from $2,695 thousand in fiscal 2013.

Income Taxes. We recorded an income tax provision of $105,823 thousand and an income tax benefit of $55,610 thousand for fiscal 2014 and 2013, respectively. Income tax provision (benefit) for fiscal 2014 and 2013 reflect expense of $12,430 thousand and a benefit of $98,815 thousand, respectively, in connection with the changes in the valuation allowance on U.S. federal net operating losses.

Liquidity and Capital Resources

The following table summarizes our cash flow from operating, investing, and financing activities, as reflected on the Combined Statements of Cash Flows:

	Fiscal	
	2014	2013
	(in thousands)	
Net cash provided by operating activities	$ 173,277	$ 194,700
Net cash used in investing activities	(38,089)	(18,468)
Net cash used in financing activities	(139,396)	(185,053)
Effect of currency translation on cash	(1,401)	(241)
Net increase (decrease) in cash and cash equivalents	$ (5,609)	$ (9,062)

Our ability to fund our future capital needs will be affected by our ability to continue to generate cash from operations and may be affected by Parent's ability to access the capital markets, money markets, or other sources of funding, as well as the capacity and terms of our financing arrangements. Except for repayment of our 3.50% convertible subordinated notes due in July 2015, for which Parent will provide funds necessary for repayment, we believe that cash generated from operations will be sufficient to meet our anticipated capital needs for the foreseeable future.

Cash Flows from Operating Activities. Net cash provided by operating activities decreased $21,423 thousand to $173,277 thousand in fiscal 2014 as compared to $194,700 thousand in fiscal 2013. The decrease resulted from higher payments in connection with restructuring activity, and lower income levels, partially offset by higher deferred income taxes and improved inventory management.

Cash Flows from Investing Activities. Capital expenditures were $39,104 thousand and $35,484 thousand in fiscal 2014 and 2013, respectively. We believe our capital funding levels are adequate to support new programs, and we continue to invest in our manufacturing infrastructure to further enhance productivity and manufacturing capabilities.

During fiscal 2013, we received cash proceeds of $17,188 thousand from the sale of an administrative facility.

Cash Flows from Financing Activities and Capitalization. Total debt at fiscal year end 2014 and 2013 was $89,586 thousand and $89,946 thousand, respectively. See Note 9 to the Combined Financial Statements for additional information regarding debt.

During fiscal 2014 and 2013, respectively, the BNS business generated $139,175 thousand and $183,906 thousand of excess cash from operations, which is considered to be remitted to Parent and is reflected as a financing outflow.

Commitments and Contingencies

The following table provides a summary of our contractual obligations and commitments for debt, minimum lease payment obligations under non-cancelable leases, and other obligations at fiscal year end 2014:

		Payments Due by Fiscal Year					
	Total	2015	2016	2017	2018	2019	Thereafter
				(in thousands)			
Long-term debt, including current maturities	$ 89,586	$ 89,497	$ 78	$ 11	$ —	$ —	$ —
Interest on long-term debt	3,121	3,120	1	—	—	—	—
Operating leases	38,280	9,121	8,233	5,122	2,791	2,312	10,701
Purchase obligations(1)	44,390	44,013	377	—	—	—	—
Total contractual cash obligations(2)	$175,377	$145,751	$8,689	$5,133	$2,791	$2,312	$ 10,701

(1) Purchase obligations consist primarily of commitments for purchases of goods and services.
(2) Other long-term liabilities of $32,384 thousand are excluded from the table above as we are unable to estimate the timing of payment for these items.

Legal Proceedings. In the ordinary course of business, we are subject to various legal proceedings and claims, including patent infringement claims, product liability matters, employment disputes, disputes on agreements, other commercial disputes, environmental matters, antitrust claims, and tax matters, including non-income tax matters such as value added tax, sales and use tax, real estate tax, and transfer tax. Although it is not feasible to predict the outcome of these proceedings, based upon our experience, current information, and applicable law, we do not expect that the outcome of these proceedings, either individually or in the aggregate, will have a material effect on our results of operations, financial position, or cash flows.

Off-Balance Sheet Arrangements

In the normal course of business, we are primarily liable for contract completion, including property lease and purchase commitments, and product performance. In the opinion of management, such obligations will not significantly affect our results of operations, financial position, or cash flows.

Non-GAAP Financial Measure

Organic net sales growth is a non-GAAP financial measure. The difference between reported net sales growth (the most comparable GAAP measure) and organic net sales growth (the non-GAAP measure) consists of the impact from foreign currency exchange rates, acquisitions, and divestitures. Organic net sales growth is a useful measure of the underlying results and trends in our business. It excludes items that are not completely under management's control, such as the impact of changes in foreign currency exchange rates, and items that do not reflect the underlying growth of the company, such as acquisition and divestiture activity.

We believe organic net sales growth provides useful information because it reflects the underlying growth from the ongoing activities of our business. Furthermore, it provides a view of our operations from management's perspective. We use organic net sales growth to monitor and evaluate performance, as it is an important measure of the underlying results of our operations. Management uses organic net sales growth together with GAAP measures such as net sales growth and operating income in its decision making processes related to the operations of our reporting segments and our overall company. The discussion and analysis of organic net sales growth in "Results of Operations" above utilizes organic net sales growth as management does internally. Because organic net sales growth calculations may vary among other companies, organic net sales growth amounts presented above may not be comparable with similarly titled measures of other companies. Organic net sales growth is a non-GAAP financial measure that is not meant to be considered in isolation or as a substitute for GAAP measures. The primary limitation of this measure is that it excludes items that have an impact on our net sales. This limitation is best addressed by evaluating organic net sales growth in combination with our GAAP net sales. The tables presented in "Results of Operations" above provide reconciliations of organic net sales growth to net sales growth calculated under GAAP.

Forward-Looking Information

Certain statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" are "forward-looking statements." These statements are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include, among others, the information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, acquisitions, divestitures, the effects of competition, and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "predict," "potential," "continue," "may," "should," or the negative of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties, and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements. We do not have any intention or obligation to update forward-looking statements after we issue these Combined Financial Statements.

Exhibit 99.5

THE BROADBAND NETWORK SOLUTIONS BUSINESS OF TE CONNECTIVITY LTD.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the quarterly period ended December 26, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Condensed Combined Financial Statements and the accompanying notes. The following discussion may contain forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements as a result of many factors, including but not limited to those under the heading "Forward-Looking Information."

Our Condensed Combined Financial Statements have been prepared in United States ("U.S.") dollars, in accordance with accounting principles generally accepted in the U.S. ("GAAP"). Unless otherwise indicated, reference to "we", "us," and "our" refer to Broadband Network Solutions ("BNS") and its combined operations.

The following discussion includes organic net sales growth which is a non-GAAP financial measure. We believe this non-GAAP financial measure, together with the most comparable GAAP financial measure, provides useful information because it reflects a financial measure that management uses in evaluating the underlying results of our operations. See "Non-GAAP Financial Measure" for more information about this non-GAAP financial measure, including our reasons for including the measure and material limitations with respect to the usefulness of the measure.

Planned Divestiture

On January 27, 2015, TE Connectivity Ltd. ("Parent") entered into a definitive agreement to sell the BNS business for $3.0 billion in cash, subject to a final working capital adjustment. The transaction is expected to close during calendar 2015 and is subject to customary closing conditions and regulatory approvals.

Results of Operations

Net sales, operating income, and operating margin were as follow:

	For the Quarters Ended	
	December 26, 2014	December 27, 2013
	($ in thousands)	
Net sales	$ 417,062	$ 463,983
Operating income	$ 36,324	$ 49,282
Operating margin	8.7%	10.6%

The following table sets forth net sales by primary industry end market:

	For the Quarters Ended	
	December 26, 2014	December 27, 2013
Telecom Networks	65%	67%
Enterprise Networks	35	33
Total	100%	100%

The following table provides an analysis of the change in net sales by primary industry end market:

	Change in Net Sales for the Quarter Ended December 26, 2014 versus Net Sales for the Quarter Ended December 27, 2013				
	Organic		Translation	Total	
	($ in thousands)				
Telecom Networks	$ (28,931)	(9.4)%	$ (11,388)	$ (40,319)	(13.1)%
Enterprise Networks	825	0.5	(7,427)	(6,602)	(4.0)
Total	$ (28,106)	(6.2)%	$ (18,815)	$ (46,921)	(10.1)%

Net Sales. Net sales decreased $46,921 thousand, or 10.1%, to $417,062 thousand in the first quarter of fiscal 2015 from $463,983 thousand in the first quarter of fiscal 2014. On an organic basis, net sales decreased $28,106 thousand, or 6.2%, in the first quarter of fiscal 2015 from the first quarter of fiscal 2014. The weakening of certain foreign currencies negatively affected net sales by $18,815 thousand in the first quarter of fiscal 2015 as compared to the first quarter of fiscal 2014.

In the telecom networks end market, our organic net sales decreased 9.4% in the first quarter of fiscal 2015 as compared to the first quarter of fiscal 2014 as a result of declines in the EMEA and South America regions, partially offset by growth in North America. In the enterprise networks end market, our organic net sales were flat in the first quarter of fiscal 2015 as compared to the first quarter of fiscal 2014 as continued growth in the Asia–Pacific region was offset by weakness in the EMEA region.

Gross Margin. In the first quarter of fiscal 2015, gross margin was $150,230 thousand, reflecting a $23,154 thousand decrease from gross margin of $173,384 thousand in the first quarter of fiscal 2014. The decrease resulted primarily from price erosion and lower volume, partially offset by improved manufacturing productivity. Gross margin as a percentage of net sales decreased to 36.0% in the first quarter of fiscal 2015 from 37.4% in the first quarter of fiscal 2014.

Selling Expense. Selling expenses decreased $8,965 thousand to $50,184 thousand in the first quarter of fiscal 2015 from $59,149 thousand in the first quarter of fiscal 2014. The decrease was primarily due to savings from restructuring actions and cost control measures. Selling expenses as a percentage of net sales decreased to 12.0% in the first quarter of fiscal 2015 from 12.7% in the same period of fiscal 2014.

General and Administrative Expenses. General and administrative expenses decreased $1,926 thousand to $36,982 thousand in the first quarter of fiscal 2015 from $38,908 thousand in the first quarter of fiscal 2014. The decrease resulted primarily from cost control measures and savings attributable to restructuring actions. General and administrative expenses as a percentage of net sales increased to 8.9% in the first quarter of fiscal 2015 from 8.4% in the same period of fiscal 2014.

Restructuring and Other Charges, Net. Net restructuring and other charges were $1,658 thousand and $1,714 thousand in the first quarters of fiscal 2015 and 2014, respectively. During fiscal 2014, we initiated a restructuring program associated with headcount reductions and manufacturing site closures; we did not initiate any restructuring programs during the first quarter of fiscal 2015.

See Note 2 to the Condensed Combined Financial Statements for additional information regarding net restructuring and other charges.

Operating Income. Operating income decreased $12,958 thousand to $36,324 thousand in the first quarter of fiscal 2015 from $49,282 thousand in the first quarter of fiscal 2014, due primarily to price erosion and lower volume, partially offset by improved manufacturing productivity and savings from restructuring actions.

Income Taxes. We recorded income tax provisions of $9,589 thousand and $11,038 thousand for the quarters ended December 26, 2014 and December 27, 2013, respectively. The tax provisions reflect income tax benefits recognized in connection with the profitability of certain entities operating in lower tax jurisdictions.

Liquidity and Capital Resources

The following table summarizes our cash flow from operating, investing, and financing activities, as reflected on the Condensed Combined Statements of Cash Flows:

	For the Quarters Ended	
	December 26, 2014	December 27, 2013
	(in thousands)	
Net cash provided by operating activities	$ 56,987	$ 20,421
Net cash used in investing activities	(6,877)	(7,522)
Net cash used in financing activities	(49,138)	(11,413)
Effect of currency translation on cash	(861)	(323)
Net increase in cash and cash equivalents	$ 111	$ 1,163

Our ability to fund our future capital needs will be affected by our ability to continue to generate cash from operations and may be affected by Parent's ability to access the capital markets, money markets, or other sources of funding, as well as the capacity and terms of our financing arrangements. Except for repayment of our 3.50% convertible subordinated notes due in July 2015, for which Parent will provide funds necessary for repayment, we believe that cash generated from operations will be sufficient to meet our anticipated capital needs for the foreseeable future.

Cash Flows from Operating Activities

In the first quarter of fiscal 2015, net cash provided by operating activities increased $36,566 thousand to $56,987 thousand from $20,421 thousand in the first quarter of fiscal 2014. The increase resulted from cash collection associated with lower accounts receivable balances, partially offset by lower income levels.

Cash Flows from Investing Activities

Capital spending decreased $421 thousand in the first quarter of fiscal 2015 to $6,886 thousand as compared to $7,307 thousand in the first quarter of fiscal 2014. We believe our capital funding levels are adequate to support new programs, and we continue to invest in our manufacturing infrastructure to further enhance productivity and manufacturing capabilities.

Cash Flows from Financing Activities and Capitalization

Total debt at December 26, 2014 and September 26, 2014 was $89,491 thousand and $89,586 thousand, respectively.

The BNS business generated $49,079 thousand of excess cash from operations, which is considered to be remitted to Parent and is reflected as a financing outflow.

Commitments and Contingencies

Legal Proceedings

In the ordinary course of business, we are subject to various legal proceedings and claims, including patent infringement claims, product liability matters, employment disputes, disputes on agreements, other commercial disputes, environmental matters, antitrust claims, and tax matters, including non-income tax matters such as value added tax, sales and use tax, real estate tax, and transfer tax. Although it is not feasible to predict the outcome of these proceedings, based upon our experience, current information, and applicable law, we do not expect that the outcome of these proceedings, either individually or in the aggregate, will have a material effect on our results of operations, financial position, or cash flows.

Off-Balance Sheet Arrangements

In the normal course of business, we are primarily liable for contract completion, including property lease and purchase commitments, and product performance. In the opinion of management, such obligations will not significantly affect our results of operations, financial position, or cash flows.

Non-GAAP Financial Measure

Organic Net Sales Growth

Organic net sales growth is a non-GAAP financial measure. The difference between reported net sales growth (the most comparable GAAP measure) and organic net sales growth (the non-GAAP measure) consists of the impact from foreign currency exchange rates, acquisitions, and divestitures. Organic net sales growth is a useful measure of the underlying results and trends in our business. It excludes items that are not completely under management's control, such as the impact of changes in foreign currency exchange rates, and items that do not reflect the underlying growth of the company, such as acquisition and divestiture activity.

We believe organic net sales growth provides useful information because it reflects the underlying growth from the ongoing activities of our business. Furthermore, it provides a view of our operations from management's perspective. We use organic net sales growth to monitor and evaluate performance, as it is an important measure of the underlying results of our operations. Management uses organic net sales growth together with GAAP measures such as net sales growth and operating income in its decision making processes related to the operations of our reporting segments and our overall company. The discussion and analysis of organic net sales growth in "Results of Operations" above utilizes organic net sales growth as management does internally. Because organic net sales growth calculations may vary among other companies, organic net sales growth amounts presented above may not be comparable with similarly titled measures of other companies. Organic net sales growth is a non-GAAP financial measure that is not meant to be considered in isolation or as a substitute for GAAP measures. The primary limitation of this measure is that it excludes items that have an impact on our net sales. This limitation is best addressed by evaluating organic net sales growth in combination with our GAAP net sales. The tables presented in "Results of Operations" above provide reconciliations of organic net sales growth to net sales growth calculated under GAAP.

Forward-Looking Information

Certain statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" are "forward-looking statements". These statements are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include, among others, the information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, acquisitions, divestitures, the effects of competition, and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "predict," "potential," "continue," "may," "should," or the negative of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties, and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements. We do not have any intention or obligation to update forward-looking statements after we issue this report.