Sensata Technologies

SENSATA THIRD QUARTER 2017 EARNINGS PRESENTATION

OCTOBER 24, 2017

Forward-Looking Statements

In addition to historical facts, this earnings presentation, including any documents incorporated by reference herein, includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable. These forward-looking statements also relate to our future prospects, developments, and business strategies. These forward-looking statements may be identified by terminology such as "may," "will," "could," "should," "expect," "anticipate," "believe," "estimate," "predict," "project," "forecast," "continue," "intend," "plan," and similar terms or phrases, or the negative of such terminology, including references to assumptions. However, these terms are not the exclusive means of identifying such statements. Forward-looking statements contained herein, or in other statements made by us, are made based on management's expectations and beliefs concerning future events impacting us, and are subject to uncertainties and other important factors relating to our operations and business environment, all of which are difficult to predict, and many of which are beyond our control, that could cause our actual results to differ materially from those matters expressed or implied by forward-looking statements. Although we believe that our plans, intentions, and expectations reflected in, or suggested by, such forward-looking statements are reasonable, we can give no assurances that any of the events anticipated by these forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition.

Q3 2017 GAAP Results

	Q3 2017	Q3 2016	Δ
Revenue	$819.1M	$789.8M	3.7%
Gross Profit *(% of revenue)*	$291.6M *35.6%*	$280.9M *35.6%*	3.8%
R&D *(% of revenue)*	$34.0M *4.2%*	$31.6M *4.0%*	7.6%
SG&A *(% of revenue)*	$76.0M *9.3%*	$75.0M *9.5%*	1.2%
Profit from Operations *(% of revenue)*	$140.0M *17.1%*	$122.8M *15.5%*	14.0%
Net Income *(% of revenue)*	$88.0M *10.7%*	$69.8M *8.8%*	26.2%
Diluted EPS	$0.51	$0.41	24.4%
Diluted Shares Outstanding	172.2M	171.5M	0.8M

Solid Organic Revenue Growth & Margin Expansion in Q3-17

- ✓ **Organic revenue growth of 3.6% –**strength in HVOR and industrial businesses; China automotive sustains trend of double-digit growth
- ✓ **Sustained EBIT margin expansion –** adjusted EBIT margin expands by 90 basis points y/y
- ✓ **Double-digit earnings growth –** adjusted earnings growth of 10% y/y driven by higher profitability of acquired businesses and lower integration costs
- ✓ **Highly Effective Capital Deployment –** re-domiciling to the UK would provide more flexibility around capital deployment
- ✓ **Good momentum securing new design wins –** strong wins in gasoline exhaust treatment; braking systems for electrified cars; and TPMS



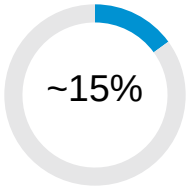
Q3-17 Performance by End Market

PERCENT OF REVENUES



HVOR – Organic revenue growth: 19.5%

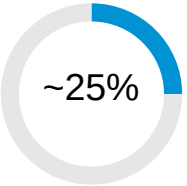
- Accelerating growth as all market segments remain strong
- Executing healthy backlog of closed design wins in on-road, construction and agriculture markets
- Expect FY-17 market growth of 5%: NA Class 8 Truck getting incrementally stronger





Industrial, HVAC & Other – Organic rev growth: 5.2%

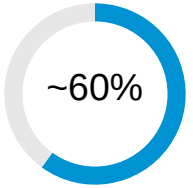
- Demand from global industrial/HVAC customers remains strong
- Double-digit organic growth in Industrial Sensing as a result of strength in China and expanded opportunities created in CST
- Aerospace business delivers mid-single digit organic revenue growth as market fundamentals remain attractive





Auto – Organic revenue decline: (0.2%)

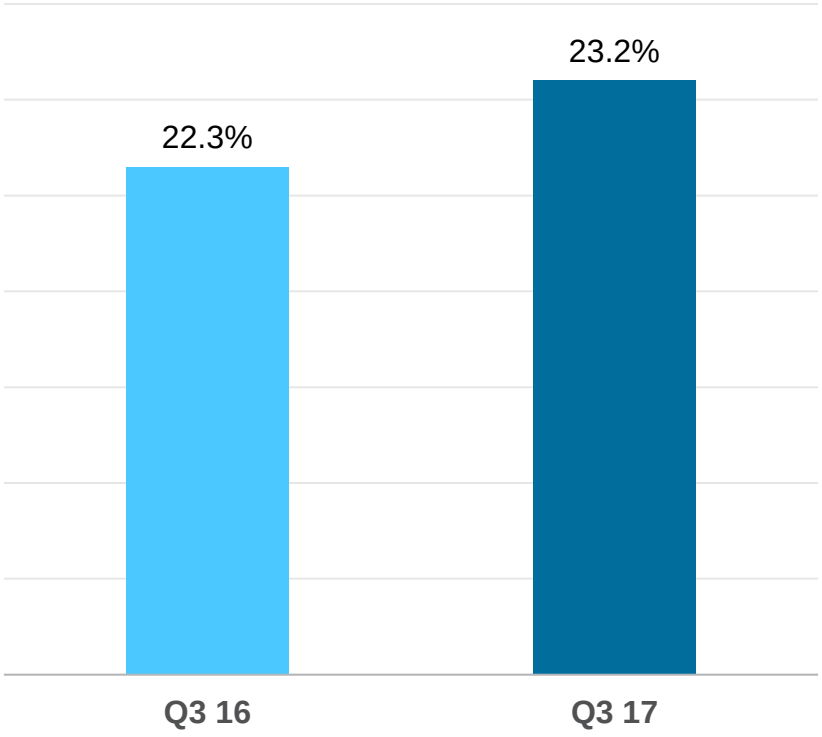
- China growth remains strong despite difficult year-over-year comparison
- Lower Q3-17 production in NA, FY-17 expectations unchanged
- Continued design wins for gasoline exhaust treatment, braking systems for electrified vehicles and TPMS



Sustained Year-Over-Year Margin Improvement

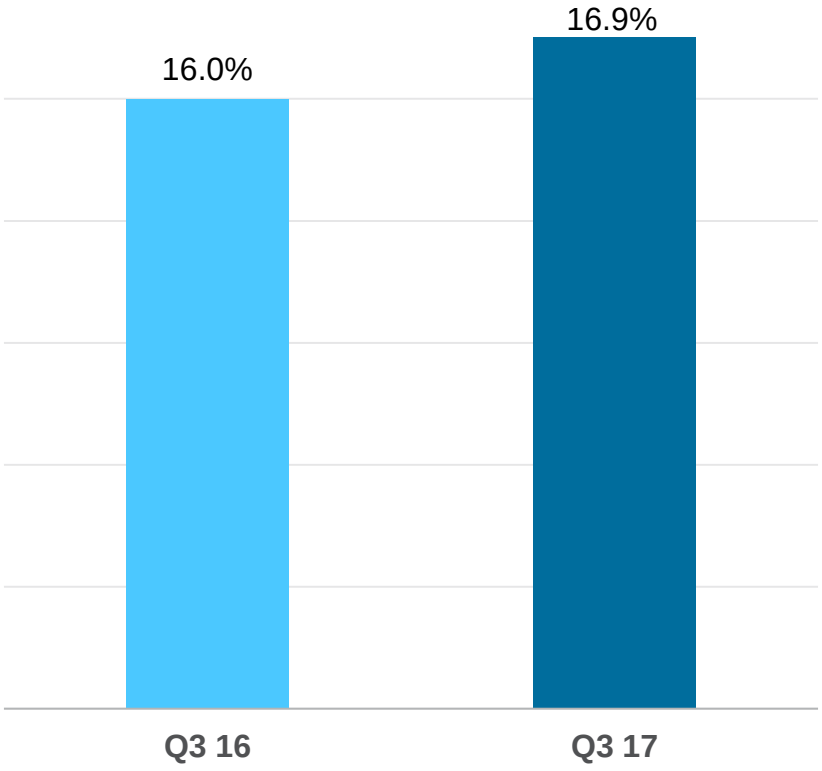
ADJUSTED EBIT MARGINS

+ 90 BASIS POINTS



ADJUSTED NET INCOME MARGINS

+ 90 BASIS POINTS



Moving to the UK Would Increase Our Flexibility to Deploy Capital

- **Allows for flexible and effective capital allocation**
- The UK is a **shareholder-friendly corporate governance environment**
- **Sensata has an expanded presence in the UK** post recent acquisitions; improves administrative efficiency
- Eliminates the requirement for **50% of shareholders to be US residents** in order to qualify for tax treaty benefits



Delivering Solid Execution and Strong Performance

Accelerating organic revenue growth

- YTD organic revenue growth of 3.6%

Sustaining attractive margin expansion

- Adjusted EBIT margins expand 90 bps YTD
- M&A cost synergies helping to drive margins, integration spend largely completed

Double-digit adjusted EPS Growth

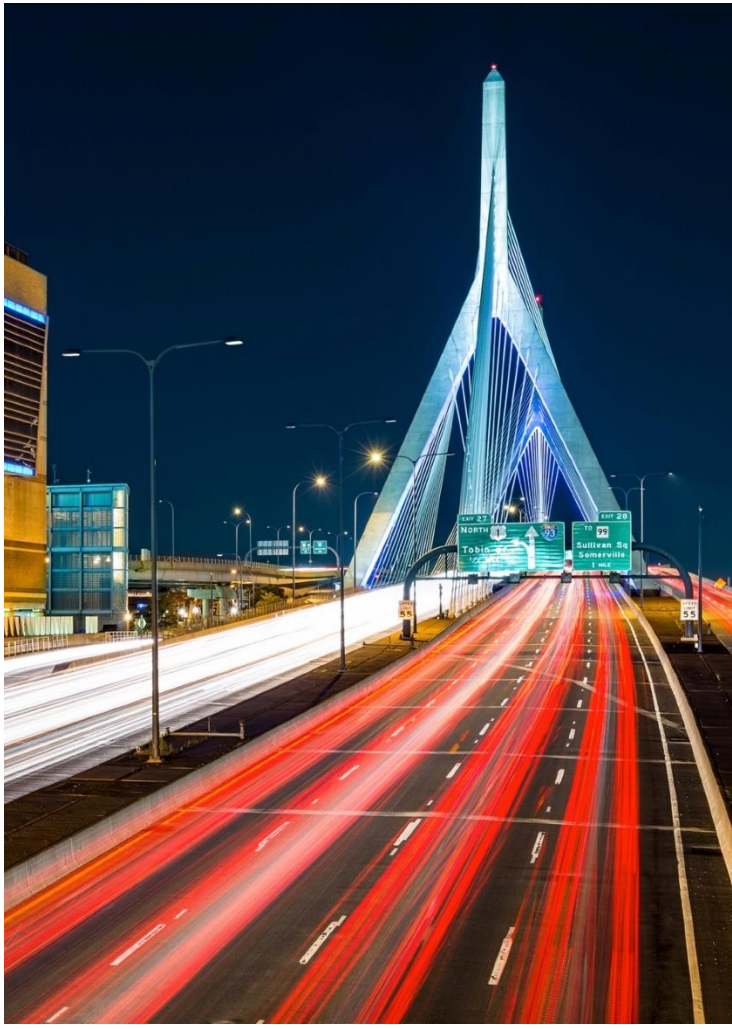
- YTD organic adjusted EPS Growth of 11%

Balance sheet continues to strengthen

- Expect to hit target net leverage ratio next quarter (Q4-17)

Performing to promise

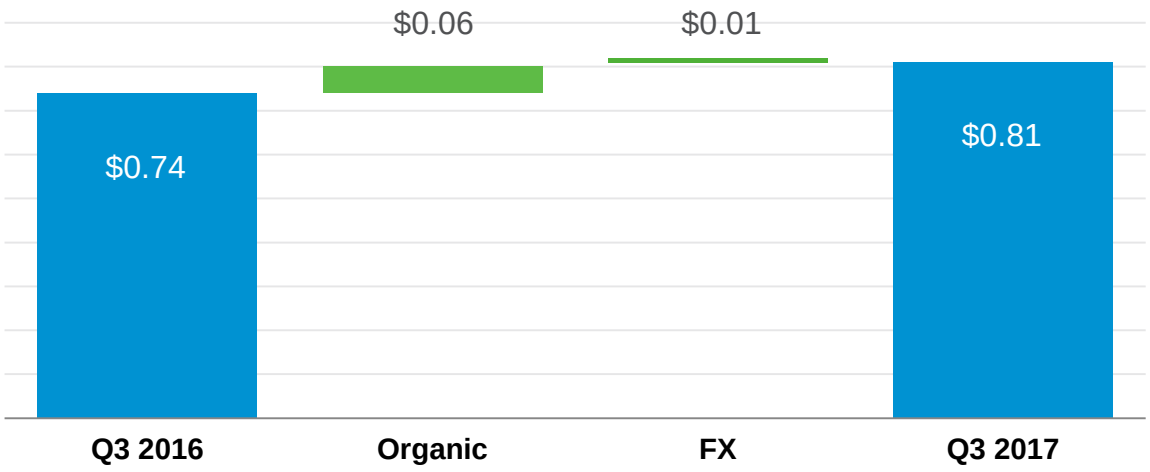
- Delivering on guidance and increasing flexibility for future capital deployment



Q3 2017 Financial Summary

ADJUSTED NET INCOME GROWS 9% ORGANICALLY

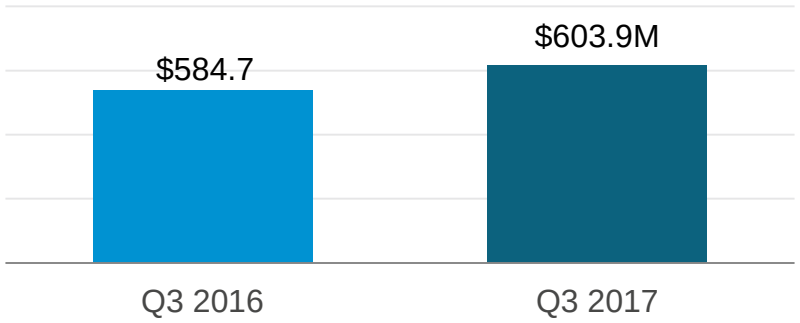
	Q3 2017	Q3 2016	Δ
Revenue	$819.1M	$789.8M	3.7%
Adjusted EBIT *% revenue*	$189.6M *23.2%*	$176.3M *22.3%*	7.5%
Adjusted Net Income *% revenue*	$138.8M *16.9%*	$126.3M *16.0%*	9.9%
Adjusted EPS	$0.81	$0.74	9.5%



- Revenue growth of 3.7% composed of:
  - Organic revenue growth: 3.6%
  - Foreign exchange increases revenue by 0.1%
- Adjusted EBIT grows 7.1% organically due to operating leverage and higher profitability from acquired businesses
- Majority of FY-17 integration spending now completed
- ANI grows 9.2% organically on 3.6% organic revenue growth

Q3 2017: Performance Sensing

REVENUE

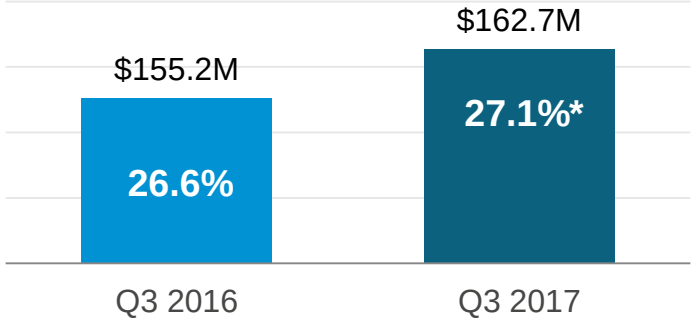


Q3-17 REVENUE GROWTH	REPORTED	ORGANIC
Automotive	(0.1%)	(0.2%)
HVOR	20.0%	19.5%
Performance Sensing	**3.3%**	**3.1%**

Foreign exchange 0.2% positive impact

SEGMENT PROFIT

% SEGMENT MARGIN (EXCLUDING FX)

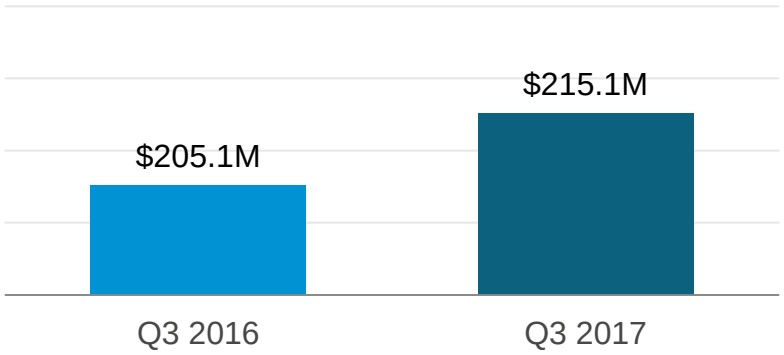


- HVOR posts second straight quarter of double-digit organic revenue growth
- Growth in China and Europe auto helps to offset weaker NA market
- Profit margins expand 50 bps y/y excluding FX due to higher M&A cost synergies

*% of revenue, excludes FX

Q3 2017: Sensing Solutions

REVENUE

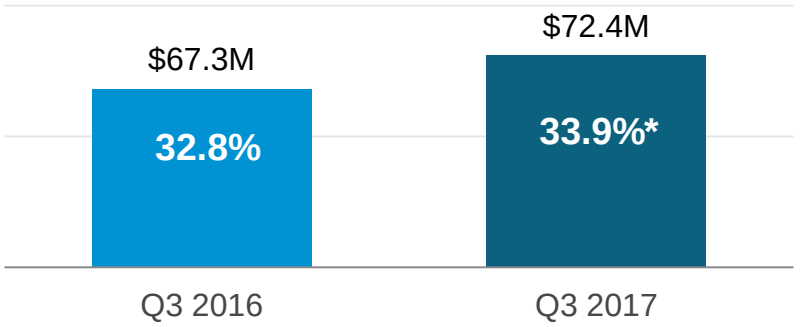


Q3-17 REVENUE GROWTH	REPORTED	ORGANIC
Sensing Solutions	4.9%	5.2%

Foreign exchange (0.3%) impact

SEGMENT PROFIT

% SEGMENT MARGIN (EXCLUDING FX)



- Continued momentum in HVAC, Appliance and Industrial markets
  - Organic revenue growth: 4.6% YTD
- Industrials end markets benefitting from strength in Asia
- Margin improvement driven by M&A cost synergies and operating leverage

*% of revenue, excludes FX

Q3 2017 Non-GAAP Results

	Q3 2017	Q3 2016	Δ
Revenue	$819.1M	$789.8M	3.7%
Adj. Gross Profit *(% of revenue)*	$296.7M *36.2%*	$286.8M *36.3%*	3.5%
R&D *(% of revenue)*	$34.0M *4.2%*	$31.6M *4.0%*	7.6%
Adj. SG&A *(% of revenue)*	$71.7M *8.8%*	$73.9M *9.4%*	(3.0%)
Adj. Other Opex[1]	$2.0M	$2.1M	(4.6%)
Adj. Other Gains/(Losses), net	$0.6M	($2.9M)	121.3%
Adj. EBIT *(% of revenue)*	$189.6M *23.2%*	$176.3M *22.3%*	7.5%
Adj. Tax Rate[2]	6.6%	6.1%	50 bps
Adj. Net Income *(% of revenue)*	$138.8M *16.9%*	$126.3M *16.0%*	9.9%
Adj. EPS	$0.81	$0.74	9.5%

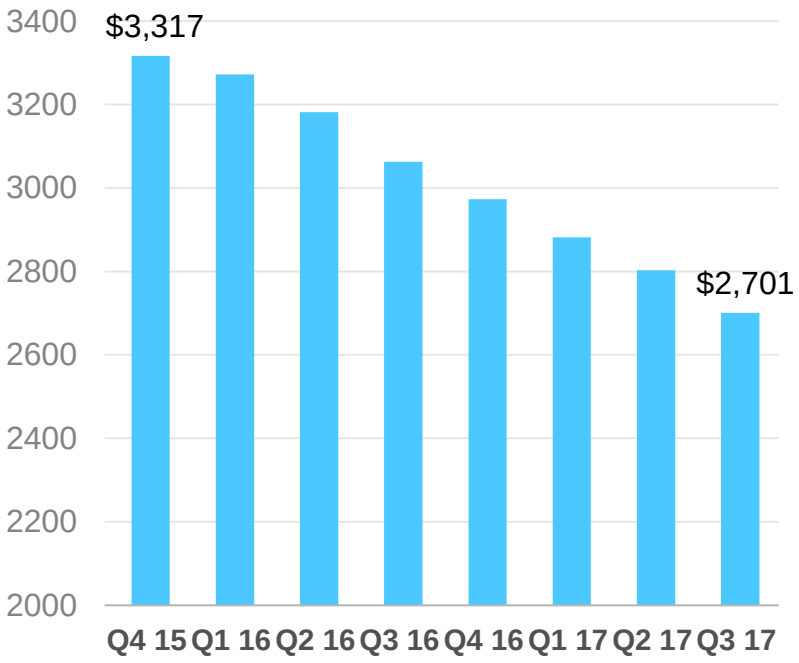
1 – Represents sum of adjusted amortization of intangible assets and adjusted restructuring and special charges

2 – Represents adjusted taxes divided by adjusted EBIT

Delivering on Promise to Strengthen Balance Sheet

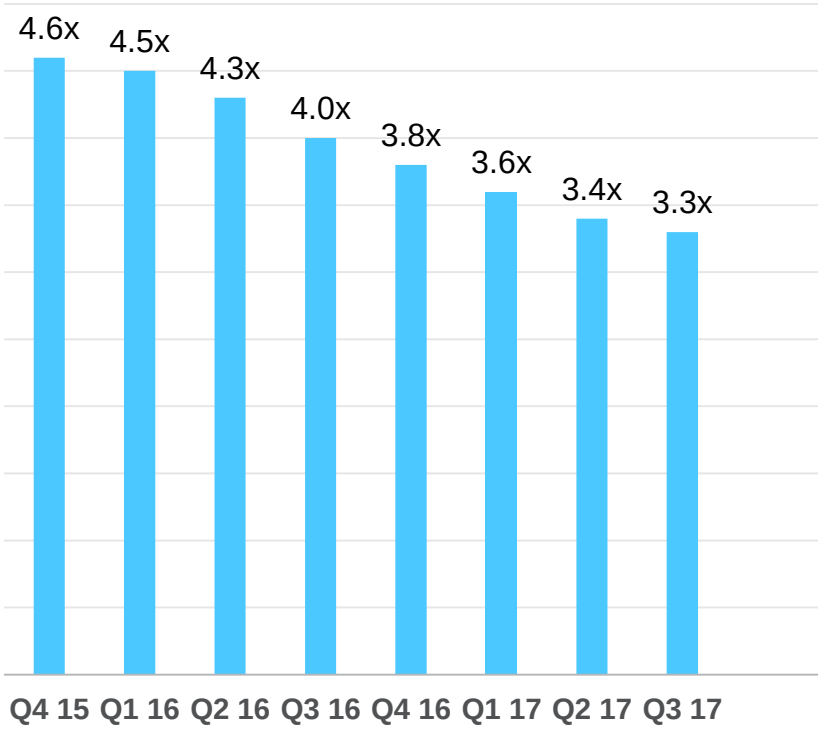
NET DEBT ($M)

~$616M OF NET DEBT REDUCTION SINCE Q4-15



NET LEVERAGE RATIO

LEVERAGE RATIO OF **~3.0X** BY END OF 2017*



* Assumes no additional M&A or share repurchases

Q4-17 Financial Guidance

	Q4-16	Q4-17 GUIDANCE	REPORTED	ORGANIC
Revenue	$788.4M	$808M - $832M	2% - 6%	2% - 3%
Adj. EBIT	$179.6M	$195M - $201M	8% - 12%	7% - 11%
Adj. Net Income	$131.0M	$142M - $149M	8% - 14%	7% - 12%
Adj. EPS	$0.76	$0.82 - $0.86	8% - 13%	7% - 12%

COMMENTS

- FX expected to increase revenue by ~$12M y/y
  - Adjusted EPS impact of $0.01 - $0.02 from FX
- Assumes 130 bps increase y/y in adjusted EBIT margins
- Integration expense of ~$1M
- Strong fill rate of 87%

2017 Financial Guidance

	FY 2016	FY 2017 GUIDANCE	REPORTED	ORGANIC
Revenue	$3,202M	$3,274M – $3,298M	2%– 3%	3% – 4%
Adj. EBIT	$695.3M	$744M – $751M	7% – 8%	8% – 9%
Adj. Net Income	$494.8M	$541M – $548M	9% – 11%	10% – 12%
Adj. EPS	$2.89	$3.14 – $3.18	9% – 10%	10% – 11%

COMMENTS

- Increasing organic revenue guidance
- Narrowing range for all other guidance
- FX expected to lower revenue by ~$22M
  - Adjusted EPS impact from FX remains unchanged: ($0.02) - ($0.03)
- Expect free cash flow of $400 - $425M

Sensata is Committed to Shareholder Value Creation

- ✓ Deliver **double-digit organic EPS growth**
- ✓ Sustain high-profitability and **increase margins** of acquired businesses
- ✓ Leading and expanding positions in markets with **attractive long-term growth**
- ✓ Strong **cash generation** and value-creating **capital deployment**

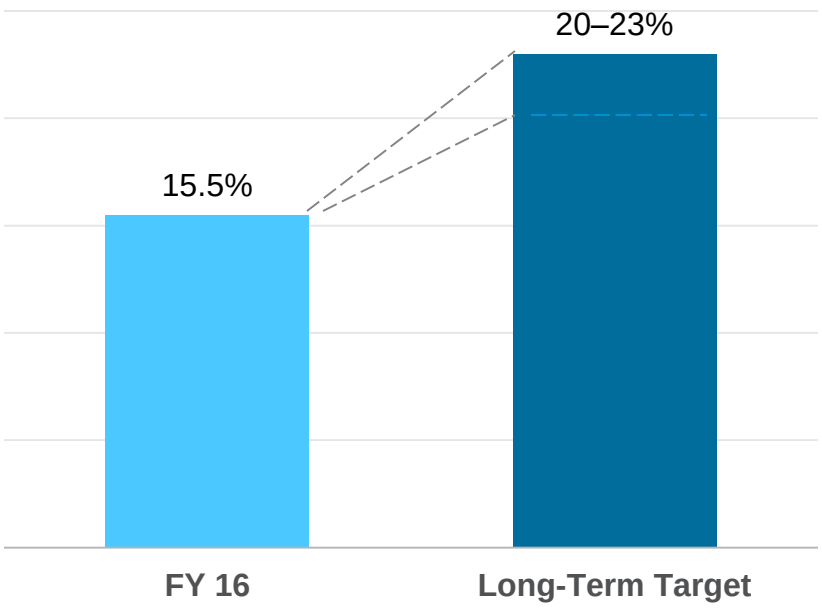
Win In Sensing

APPENDIX

SENSATA THIRD QUARTER 2017 EARNINGS SUMMARY

Opportunity for Sustained, Long-Term Margin Expansion

ADJUSTED NET INCOME MARGIN



PERFORMANCE LEVERS

- Improved profitability of acquired businesses
- Volume growth, operating leverage, and net productivity gains
- Roll-off of integration expenses

YTD 2017 GAAP Results

	YTD 2017	YTD 2016	Δ
Revenue	$2,466.2M	$2,413.9M	2.2%
Gross Profit *(% of revenue)*	$865.0M *35.1%*	$839.1M *34.8%*	3.1%
R&D *(% of revenue)*	$97.0M *3.9%*	$95.2M *3.9%*	1.9%
SG&A *(% of revenue)*	$227.3M *9.2%*	$224.6M *9.3%*	1.2%
Profit from Operations *(% of revenue)*	$400.4M *16.2%*	$364.5M *15.1%*	9.8%
Net Income *(% of revenue)*	$239.2M *9.7%*	$195.9M *8.1%*	22.1%
Diluted EPS	$1.39	$1.14	21.9%
Diluted Shares Outstanding	172.0M	171.4M	0.7M

YTD 2017 Non-GAAP Results

	YTD 2017	YTD 2016	Δ
Revenue	$2,466.2M	$2,413.9M	2.2%
Adj. Gross Profit *(% of revenue)*	$880.8M *35.7%*	$852.0M *35.3%*	3.4%
R&D *(% of revenue)*	$97.0M *3.9%*	$95.2M *3.9%*	1.9%
Adj. SG&A *(% of revenue)*	$219.9M *8.9%*	$220.8M *9.1%*	(0.4%)
Adj. Other Opex[1]	$15.9M	$5.6M	186.2%
Adj. Other Gains/(Losses), net	$1.9M	($14.7M)	113.2%
Adj. EBIT *(% of revenue)*	$549.9M *22.3%*	$515.7M *21.4%*	6.6%
Adj. Tax Rate[2]	6.5%	6.2%	30 bps
Adj. Net Income *(% of revenue)*	$399.3M *16.2%*	$363.9M *15.1%*	9.7%
Adj. EPS	$2.32	$2.12	9.4%

1 – Represents sum of adjusted amortization of intangible assets and adjusted restructuring and special charges

2 – Represents adjusted taxes divided by adjusted EBIT

Q3 2017 Cash Flow Statement

	Q3 2017	Q3 2016	Δ
Net Income	$88.0M	$69.8M	26.2%
Depreciation & Amortization	$67.5M	$76.9M	(12.1%)
Changes in Working Capital	($24.5M)	($6.3M)	(287.8%)
Other	$7.4M	$9.4M	(21.4%)
Operating Cash Flow	$138.4M	$149.7M	(7.5%)
Capital Expenditures	($36.3M)	($30.1M)	(20.7%)
Free Cash Flow	$102.1M	$119.6M	(14.6%)

Changes recalculated based on unrounded numbers. Certain amounts will not sum due to rounding.

YTD 2017 Cash Flow Statement

	YTD 2017	YTD 2016	Δ
Net Income	$239.2M	$195.9M	22.1%
Depreciation & Amortization	$203.6M	$229.2M	(11.2%)
Changes in Working Capital	($107.7M)	($66.2M)	(62.5%)
Other	$37.1M	$37.5M	(0.9%)
Operating Cash Flow	$372.3M	$396.4M	(6.1%)
Capital Expenditures	($103.5M)	($94.6M)	(9.5%)
Free Cash Flow	$268.7M	$301.8M	(10.9%)

Balance Sheet

	SEP 30, 2017	SEP 30, 2016	DEC 31, 2016
Total Assets	$6,537.9M	$6,251.0M	$6,241.0M
Working Capital	$1,103.3M	$674.4M	$758.2M
Intangibles, Net & Other Long-Term Assets	$4,806.7M	$4,954.7M	$4,899.5M

	SEP 30, 2017	SEP 30, 2016	DEC 31, 2016
Cash & Equivalents	$613.0M	$299.9M	$351.4M
Current Debt	$13.2M	$14.5M	$14.6M
Net Cash	$599.8M	$285.4M	$336.8M

Sensata Peer Group

ST Peer Group	Sector
1. Ametek Inc	Industrial
2. Amphenol Corp	Tech
3. Delphi	Auto
4. Fortive	Industrial Tech
5. FLIR Systems	Tech
6. Gentex	Auto
7. Littelfuse	Industrial
8. Rockwell	Industrial
9. Roper	Industrial
10. TE Connectivity	Industrial Tech
11. Wabco	Industrial

Sensata Technologies

NON-GAAP FINANCIAL MEASURES

Non-GAAP Measures

We supplement the reporting of our financial information determined in accordance with U.S. generally accepted accounting principles ("GAAP") with certain non-GAAP financial measures. We use these non-GAAP financial measures internally to make operating and strategic decisions, including the preparation of our annual operating plan, evaluation of our overall business performance, and as a factor in determining compensation for certain employees. We believe presenting non-GAAP financial measures may be useful for period-over-period comparisons of underlying business trends and our ongoing business performance. We also believe presenting these non-GAAP measures provides additional transparency into how management evaluates our business.

Non-GAAP financial measures should be considered as supplemental in nature and are not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with U.S. GAAP. In addition, our non-GAAP financial measures may not be the same as or comparable to similar non-GAAP measures presented by other companies.

Within this presentation we refer to the below measures which are not determined in accordance with U.S. GAAP (i.e., non-GAAP measures). Reconciliations of each non-GAAP measure to the most directly comparable U.S. GAAP financial measure are included within Appendix B.

Adjusted EBIT – represents net income, determined in accordance with U.S. GAAP, excluding interest expense, net, provision for/(benefit from) income taxes, and certain non-GAAP adjustments including: (1) restructuring and special charges, (2) financing and other transaction costs, (3) deferred losses/(gains) on other hedges, and (4) depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory. We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Adjusted EBIT margin – represents adjusted EBIT divided by net revenue. We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Adjusted EBITDA – represents net income, determined in accordance with U.S. GAAP, excluding interest expense, net, provision for/(benefit from) income taxes, depreciation expense, amortization of intangible assets, and certain non-GAAP adjustments including: (1) restructuring and special charges, (2) financing and other transaction costs, (3) deferred losses/(gains) on other hedges, and (4) amortization expense related to the step-up in fair value of inventory.

Adjusted EPS– represents ANI divided by the number of diluted weighted-average ordinary shares outstanding during the period. We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Adjusted net income ("ANI") – represents net income, determined in accordance with U.S. GAAP, excluding certain non-GAAP adjustments including: (1) restructuring and special charges, (2) financing and other transaction costs, (3) deferred losses/(gains) on other hedges, (4) depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory, (4) deferred income tax and other tax expense/(benefit), and (5) amortization of deferred financing costs and debt discounts. We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

ANI margin – represents ANI divided by net revenue. We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Adjusted taxes – represents provision for/(benefit from) income taxes, determined in accordance with U.S. GAAP, excluding certain non-GAAP adjustments recorded to provision for/(benefit from) income taxes in our U.S. GAAP financial statements, such as deferred income tax and other tax expense/(benefit). We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Adjusted tax rate – represents adjusted taxes divided by adjusted EBIT. We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Free cash flow – represents net cash provided by/(used in) operating activities less additions to property, plant and equipment and capitalized software. We believe free cash flow is useful to management and investors as a measure of cash generated by business operations that will be used to repay scheduled debt maturities and can be used to, among other things, fund acquisitions, repurchase ordinary shares, and (or) accelerate the repayment of debt obligations.

Net debt – represents total debt, capital lease and other financing obligations less cash and cash equivalents. We believe net debt is a useful measure to management and investors in understanding trends in our overall financial condition.

Net leverage ratio – represents net debt divided by last twelve months (LTM) adjusted EBITDA. We believe net leverage ratio is a useful measure to management and investors in understanding trends in our overall financial condition.

Organic growth (or decline) – in discussing trends in the Company's performance, we refer to the percentage change of certain GAAP or non-GAAP financial measures in one period versus another, calculated on either a reported or organic basis. Changes calculated on an organic basis exclude the period-over-period impact of foreign exchange rate differences as well as the impact of acquisitions, net of exited businesses for the first 12 months following the transaction date. We believe that this measure is useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Segment margin (reported and constant currency basis) – on a reported basis, segment margin represents segment profit, as determined in accordance with U.S. GAAP, divided by segment net revenue. Segment margin on a constant currency basis represents segment profit, measured on a constant currency basis with a comparison (e.g., prior year) period, divided by segment net revenue, also measured on a constant currency basis with the comparison period. We believe that these measures are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Adjusted EBIT – Q3 2017

Percentage amounts have been calculated based on unrounded numbers. Accordingly, certain amounts may not sum due to the effect of rounding.

$ in thousands	Q3 2017		Q3 2016		Change	
Total Sensata	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**
Net income	**$88,035**	**10.7%**	**$69,785**	**8.8%**	**26.2%**	**190 bps**
Interest expense, net	40,263	4.9%	41,176	5.2%	(2.2%)	(30 bps)
Provision for income taxes	14,816	1.8%	11,121	1.4%	33.2%	40 bps
Earnings before interest and taxes ("EBIT")	$143,114	17.5%	$122,082	15.5%	17.2%	200 bps
Non-GAAP adjustments:						
Restructuring and special charges	3,107	0.4%	4,197	0.5%	(26.0%)	(10 bps)
Financing and other transaction costs	4,538	0.6%	452	0.1%	904.0%	50 bps
Deferred gain on other hedges	(2,503)	(0.3%)	(2,930)	(0.4%)	14.6%	10 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory	41,380	5.1%	52,531	6.7%	(21.2%)	(160 bps)
Total adjustments	46,522	5.7%	54,250	6.9%	(14.2%)	(120 bps)
Adjusted EBIT	**$189,636**	**23.2%**	**$176,332**	**22.3%**	**7.5%**	**90 bps**

[1] - Percentage of net revenue

Less year-over-year change due to:		
Foreign exchange rate differences	0.4%	10 bps
Organic growth	**7.1%**	**80 bps**

Adjusted EBIT – YTD

Percentage amounts have been calculated based on unrounded numbers. Accordingly, certain amounts may not sum due to the effect of rounding.

$ in thousands	YTD 2017		YTD 2016		Change	
Total Sensata	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**
Net income	**$239,228**	**9.7%**	**$195,907**	**8.1%**	**22.1%**	**160 bps**
Interest expense, net	120,578	4.9%	125,201	5.2%	(3.7%)	(30 bps)
Provision for income taxes	47,759	1.9%	48,297	2.0%	(1.1%)	(10 bps)
Earnings before interest and taxes ("EBIT")	$407,565	16.5%	$369,405	15.3%	10.3%	120 bps
Non-GAAP adjustments:						
Restructuring and special charges	18,299	0.7%	10,997	0.5%	66.4%	20 bps
Financing and other transaction costs	4,538	0.2%	1,508	0.1%	200.9%	10 bps
Deferred gain on other hedges	(5,241)	(0.2%)	(24,497)	(1.0%)	78.6%	80 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory	124,746	5.1%	158,288	6.6%	(21.2%)	(150 bps)
Total adjustments	142,342	5.8%	146,296	6.1%	(2.7%)	(30 bps)
Adjusted EBIT	**$549,907**	**22.3%**	**$515,701**	**21.4%**	**6.6%**	**90 bps**

[1] - Percentage of net revenue

Less year-over-year change due to:		
Foreign exchange rate differences	(1.3%)	0 bps
Organic growth	**7.9%**	**90 bps**

Adjusted EBITDA

$ in thousands	Period						
Total Sensata	**LTM**	**YTD 2017**	**Q3 2017**	**Q2 2017**	**Q1 2017**	**Q4 2016**	**Q3 2016**
Net income	**$305,755**	**$239,228**	**$88,035**	**$79,457**	**$71,736**	**$66,527**	**$69,785**
Interest expense, net	161,195	120,578	40,263	40,038	40,277	40,617	41,176
Provision for income taxes	58,473	47,759	14,816	18,611	14,332	10,714	11,121
Depreciation expense	111,268	82,014	27,212	26,007	28,795	29,254	26,304
Amortization of intangible assets	171,504	121,578	40,317	41,003	40,258	49,926	50,562
Earnings before interest, taxes, depreciation, and amortization ("EBITDA")	$808,195	$611,157	$210,643	$205,116	$195,398	$197,038	$198,948
Non-GAAP adjustments:							
Restructuring and special charges	18,304	16,119	2,684	7,185	6,250	2,185	3,827
Financing and other transaction costs	4,538	4,538	4,538	-	-	-	452
Deferred (gain)/loss on other hedges	(91)	(5,241)	(2,503)	2,602	(5,340)	5,150	(2,930)
Adjusted EBITDA	**$830,946**	**$626,573**	**$215,362**	**$214,903**	**$196,308**	**$204,373**	**$200,297**

ANI, Adjusted EPS, and ANI Margin – Q3 2017

Per share and percentage amounts have been calculated based on unrounded numbers. Accordingly, certain amounts may not sum due to the effect of rounding.

$ in thousands	Q3 2017			Q3 2016			Change		
Total Sensata	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**
Net income	**$88,035**	**$0.51**	**10.7%**	**$69,785**	**$0.41**	**8.8%**	**26.2%**	**24.4%**	**190 bps**
Non-GAAP adjustments:									
Restructuring and special charges	3,107	0.02	0.4%	4,197	0.02	0.5%	(26.0%)	0.0%	(10 bps)
Financing and other transaction costs	4,538	0.03	0.6%	452	-	0.1%	904.0%	100.0%	50 bps
Deferred gain on other hedges	(2,503)	(0.01)	(0.3%)	(2,930)	(0.02)	(0.4%)	14.6%	50.0%	10 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory	41,380	0.24	5.1%	52,531	0.31	6.7%	(21.2%)	(22.6%)	(160 bps)
Deferred income tax and other tax expense/(benefit)	2,374	0.01	0.3%	451	-	0.1%	426.4%	100.0%	20 bps
Amortization of deferred financing costs	1,835	0.01	0.2%	1,823	0.01	0.2%	0.7%	0.0%	0 bps
Total adjustments	50,731	0.29	6.2%	56,524	0.33	7.2%	(10.2%)	(12.1%)	(100 bps)
Adjusted net income ("ANI")	**$138,766**	**$0.81**	**16.9%**	**$126,309**	**$0.74**	**16.0%**	**9.9%**	**9.5%**	**90 bps**

[1] - Per diluted weighted-average ordinary shares outstanding

[2] - Percentage of net revenue

Less year-over-year change due to:			
Foreign exchange rate differences	0.7%	1.4%	0 bps
Organic growth	**9.2%**	**8.1%**	**90 bps**

ANI, Adjusted EPS, and ANI Margin - YTD

Per share and percentage amounts have been calculated based on unrounded numbers. Accordingly, certain amounts may not sum due to the effect of rounding.

$ in thousands	YTD 2017			YTD 2016			Change		
Total Sensata	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**
Net income	**$239,228**	**$1.39**	**9.7%**	**$195,907**	**$1.14**	**8.1%**	**22.1%**	**21.9%**	**160 bps**
Non-GAAP adjustments:									
Restructuring and special charges	18,299	0.11	0.7%	10,997	0.06	0.5%	66.4%	83.3%	20 bps
Financing and other transaction costs	4,538	0.03	0.2%	1,508	0.01	0.1%	200.9%	200.0%	10 bps
Deferred gain on other hedges	(5,241)	(0.03)	(0.2%)	(24,497)	(0.14)	(1.0%)	78.6%	78.6%	80 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory	124,746	0.73	5.1%	158,288	0.92	6.6%	(21.2%)	(20.7%)	(150 bps)
Deferred income tax and other tax expense/(benefit)	12,187	0.07	0.5%	16,150	0.09	0.7%	(24.5%)	(22.2%)	(20 bps)
Amortization of deferred financing costs	5,528	0.03	0.2%	5,501	0.03	0.2%	0.5%	0.0%	0 bps
Total adjustments	160,057	0.93	6.5%	167,947	0.98	7.0%	(4.7%)	(5.1%)	(50 bps)
Adjusted net income ("ANI")	**$399,285**	**$2.32**	**16.2%**	**$363,854**	**$2.12**	**15.1%**	**9.7%**	**9.4%**	**110 bps**

[1] - Per diluted weighted-average ordinary shares outstanding

[2] - Percentage of net revenue

Less year-over-year change due to:			
Foreign exchange rate differences	(1.9%)	(1.9%)	0 bps
Organic growth	**11.6%**	**11.3%**	**110 bps**

Adjusted Taxes and Adjusted Tax Rate

$ in thousands	Q3		YTD	
Total Sensata	**2017**	**2016**	**2017**	**2016**
Provision for income taxes	**$14,816**	**$11,121**	**$47,759**	**$48,297**
Non-GAAP adjustments:				
Deferred income tax and other tax expense/(benefit)	2,374	451	12,187	16,150
Adjusted taxes	**$12,442**	**$10,670**	**$35,572**	**$32,147**
Adjusted EBIT	$189,636	$176,332	$549,907	$515,701
Adjusted tax rate	**6.6%**	**6.1%**	**6.5%**	**6.2%**

Free Cash Flow

$ in thousands	Q3			YTD		
Total Sensata	**2017**	**2016**	**Change**	**2017**	**2016**	**Change**
Net cash provided by operating activities	**$138,430**	**$149,720**	**(7.5%)**	**$372,279**	**$396,351**	**(6.1%)**
Additions to property, plant and equipment and capitalized software	(36,344)	(30,118)	(20.7%)	(103,536)	(94,584)	(9.5%)
Free cash flow	**$102,086**	**$119,602**	**(14.6%)**	**$268,743**	**$301,767**	**(10.9%)**

Net Debt and Net Leverage Ratio

$ in thousands

Total Sensata	Balance as of 30-Sep-17	30-Jun-17	31-Mar-17	31-Dec-16
Current portion of long-term debt, capital lease and other financing obligations	$13,176	$10,704	$7,363	$14,643
Capital lease and other financing obligations	29,990	30,929	31,260	32,369
Long-term debt, net	3,224,684	3,225,325	3,225,965	3,226,582
Total debt, capital lease and other financing obligations	**$3,267,850**	**$3,266,958**	**$3,264,588**	**$3,273,594**
Less: Discounts	(15,812)	(16,426)	(17,041)	(17,655)
Less: Deferred financing costs	(29,971)	(31,192)	(32,413)	(33,656)
Gross indebtedness	3,313,633	3,314,576	3,314,042	3,324,905
Less: Cash and cash equivalents	612,972	511,484	431,700	351,428
Net debt	**$2,700,661**	**$2,803,092**	**$2,882,342**	**$2,973,477**
Adjusted EBITDA (LTM)	$830,946	$815,881	$800,277	$791,680
Net leverage ratio	**3.3**	**3.4**	**3.6**	**3.8**

Organic Revenue Growth

	2017 versus 2016	
Total Sensata	**3Q**	**YTD**
Reported net revenue (percentage) change	**3.7%**	**2.2%**
Less year-over-year change due to:		
Foreign exchange rate differences	0.1%	(1.4%)
Organic revenue growth	**3.6%**	**3.6%**

Performance Sensing	**3Q**	**YTD**
Reported net revenue (percentage) change	**3.3%**	**1.6%**
Less year-over-year change due to:		
Foreign exchange rate differences	0.2%	(1.6%)
Organic revenue growth	**3.1%**	**3.2%**

Sensing Solutions	**3Q**	**YTD**
Reported net revenue (percentage) change	**4.9%**	**3.9%**
Less year-over-year change due to:		
Foreign exchange rate differences	(0.3%)	(0.7%)
Organic revenue growth	**5.2%**	**4.6%**

Segment Margin

$ in thousands	3Q			YTD		
Performance Sensing	**2017**	**2016**	**Change**	**2017**	**2016**	**Change**
Segment profit	$162,655	$155,228	4.8%	$483,491	$453,540	6.6%
Segment net revenue	603,932	584,650	3.3%	1,825,904	1,797,395	1.6%
Segment margin (reported basis)	**26.9%**	**26.6%**	**30 bps**	**26.5%**	**25.2%**	**130 bps**
Less year-over-year change due to:						
Foreign exchange rate differences	(0.2%)	0.0%	(20 bps)	(0.2%)	0.0%	(20 bps)
Segment margin (constant currency basis)	**27.1%**	**26.6%**	**50 bps**	**26.7%**	**25.2%**	**150 bps**

Sensing Solutions	**2017**	**2016**	**Change**	**2017**	**2016**	**Change**
Segment profit	$72,372	$67,314	7.5%	$209,911	$198,737	5.6%
Segment net revenue	215,122	205,148	4.9%	640,295	616,497	3.9%
Segment margin (reported basis)	**33.6%**	**32.8%**	**80 bps**	**32.8%**	**32.2%**	**60 bps**
Less year-over-year change due to:						
Foreign exchange rate differences	(0.3%)	0.0%	(30 bps)	0.1%	0.0%	10 bps
Segment margin (constant currency basis)	**33.9%**	**32.8%**	**110 bps**	**32.7%**	**32.2%**	**50 bps**