Sensata Technologies

SENSATA SECOND QUARTER 2018 EARNINGS PRESENTATION

JULY 24, 2018

Forward-Looking Statements

This earnings presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Sensata believes that its expectations are based on reasonable assumptions. No assurance, however, can be given that such expectations will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results, or other expectations expressed in this earnings presentation, including, without limitation, risks associated with regulatory, legal, governmental, political, economic and military matters; adverse conditions in the automotive industry; competition in our industry, including pressure from customers to reduce prices; supplier interruptions, which could limit access to manufactured components or raw materials; business disruptions due to natural disasters; labor disruptions; difficulties with or failures integrating acquired businesses; market acceptance of new products; and our level of indebtedness. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak to results only as of the date the statements were made; and we undertake no obligation to publicly update or revise any forward-looking statements, whether to reflect any future events or circumstances or otherwise. See "Risk Factors" in the Company's 2017 Annual Report on Form 10-K and other public filings and press releases. Copies of our filings are available from our Investor Relations department or from the SEC website, www.sec.gov.

Q2-2018 GAAP Results

	Q2-2018	Q2-2017	Δ
Revenue	$913.9M	$839.9M	8.8%
Gross Profit *(% of revenue)*	$331.4M *36.3%*	$299.4M *35.6%*	10.7%
R&D *(% of revenue)*	$38.0M *4.2%*	$31.2M *3.7%*	21.7%
SG&A *(% of revenue)*	$80.5M *8.8%*	$80.8M *9.6%*	(0.4%)
Profit from Operations *(% of revenue)*	$178.1M *19.5%*	$140.0M *16.7%*	27.2%
Tax Rate	18.2%	19.0%	(80 bps)
Net Income *(% of revenue)*	$105.3M *11.5%*	$79.5M *9.5%*	32.5%
Diluted EPS	$0.61	$0.46	32.6%
Diluted Shares Outstanding	172.7M	171.9M	0.8M

Q2-18 results: accelerating organic revenue growth, while delivering attractive margin expansion and EPS growth

- ✓ **Growing faster than market as a result of attractive secular growth –** overall organic revenue growth of 6.4%
- ✓ **Delivering attractive EBIT margin expansion –** adjusted EBIT margin expands 100 basis points on an organic basis, 40 basis points on a reported basis
- ✓ **Driving double-digit adjusted EPS growth –** adjusted EPS growth of 14.8% y/y driven by higher volume, lower integration costs and cost synergies
- ✓ **Deploying capital to deliver returns and create value** - repurchased 1.1 million shares in Q2-18, expect to complete $400 million share repurchase authorization within 6 months



Q2-18 Performance by End Market

PERCENT OF REVENUES



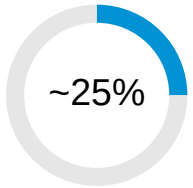
HVOR – Organic revenue growth: 14.3%

- Strong growth in all HVOR submarkets continues
- Performance reflects 660 basis points of outgrowth relative to end market production
- Expect market growth of 7-8% in FY-18E
- Closed first win for steer-by-wire application



Industrial & Other – Organic rev growth: 7.6%

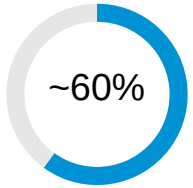
- Leveraging cross-selling opportunities with broader portfolio
- Strong, sustained demand from industrial customers in North America and Asia
- Aerospace delivers second straight strong quarter as industry fundamentals remain solid and new airplane models launch





Auto – Organic revenue growth: 3.9%

- Solid revenue and wins in regenerative braking
- China auto performance driven by robust content growth
- NA auto growth driven by turbo-charged engines
- Wins continue to increase on gas powertrains in Europe



Significant progress being made against key growth drivers



CLEAN & EFFICIENT

- Increasing growth of sensors on industrial products such as heat pumps
- New wins for next-gen gas powertrains
- Attractive growth from high-speed transmissions



ELECTRIFICATION

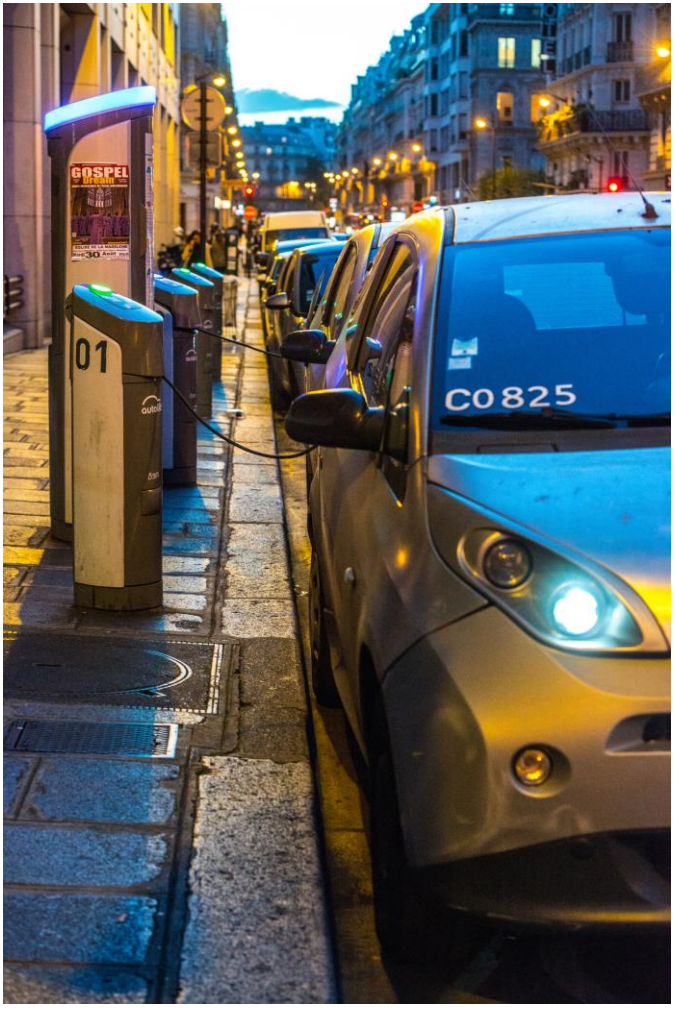
- Increasing sensor content for thermal management systems
- Growing need for electrification protection on motors, batteries and charging systems
- Generating revenues and new wins for regenerative braking



CHINA

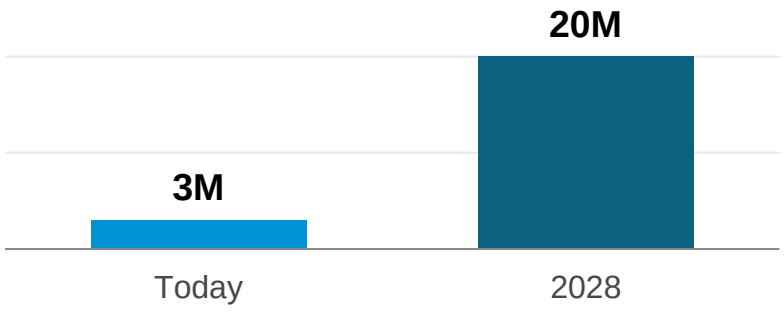
- Q2-18 YTD organic revenue growth of 22%
- Sustained modernization driving industrial demand
- Strong performance in TPMS

New applications such as regenerative braking are driving our growth on electrified vehicles



- Nearly all hybrids and electric vehicles will require **regenerative braking** to optimize battery range
- Sensor content for regenerative braking is **approximately 2x higher** than traditional braking
- Sensata is seeing **strong growth in revenues** and new business wins today for regenerative braking

PROJECTED GROWTH OF HYBRIDS & ELECTRIC VEHICLES



- Low installation rate scales with higher volumes

We are executing against the priorities we laid out at our Investor Day

Accelerate Growth

6.4%

Q2-18 YTD Organic Revenue Growth

Long-Term Target: 4–6%

Increase Margins

110 bps

Q2-18 YTD Adj. EBIT Margin Expansion (Organic)

Long-Term Target: 250 bps

Deliver Double-Digit Adjusted Organic EPS Growth

15.8%

Q2-18 YTD Growth

Long-Term Target: 10–13%

Increase Flexibility for Value-Creating Capital Deployment

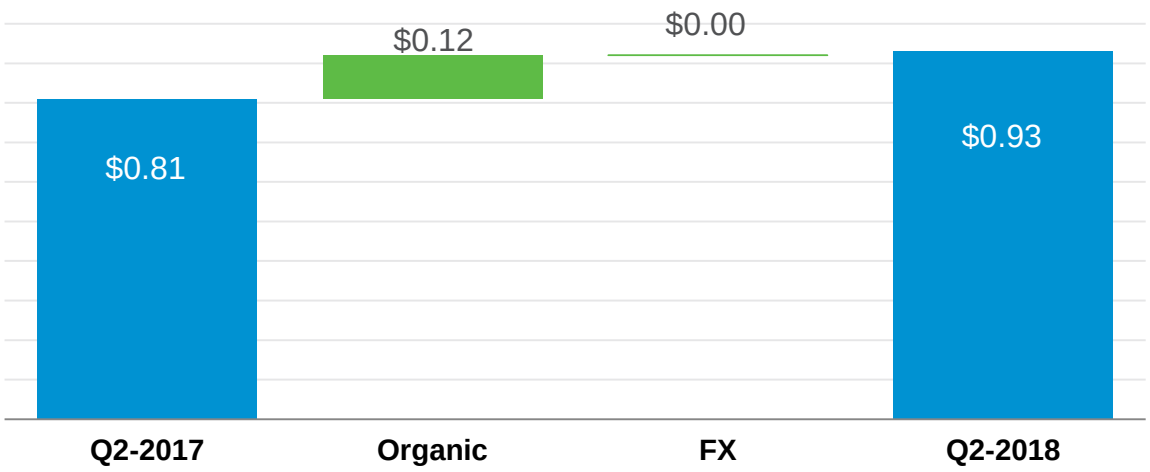


- Completed redomicile to the UK
- Repurchased $60M of Sensata shares in Q2
- Expect to complete $400M authorization within 6 months

Q2-2018 Financial Summary

ADJUSTED NET INCOME GROWS 16% ORGANICALLY

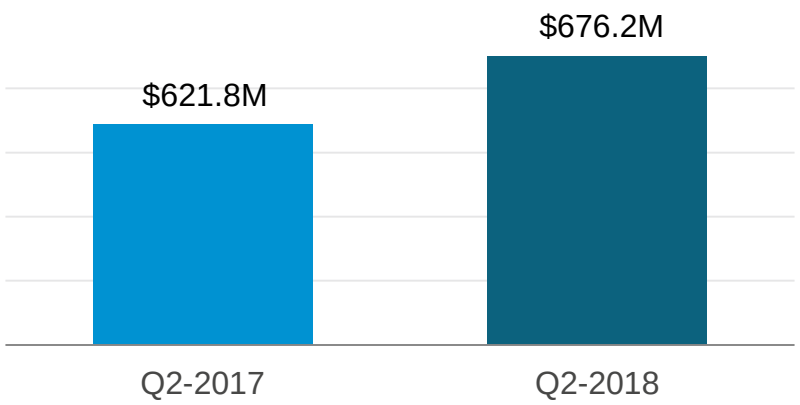
	Q2-2018	Q2-2017	Δ
Revenue	$913.9M	$839.9M	8.8%
Adjusted EBIT *% revenue*	$210.4M *23.0%*	$189.6M *22.6%*	11.0%
Adjusted Net Income *% revenue*	$160.8M *17.6%*	$139.0M *16.6%*	15.7%
Adjusted EPS	$0.93	$0.81	14.8%



- Revenue growth of 8.8% composed of:
  - Organic revenue growth: 6.4%
  - Foreign exchange increases revenue by 2.4%
- Adjusted EBIT grows 11.1% organically due to higher volume and lower integration costs
- Adjusted EBIT margins up 100 basis points on an organic basis
- Exceeded mid-point of EPS guide, despite ($0.05) FX shortfall to guide, due to strong operating performance

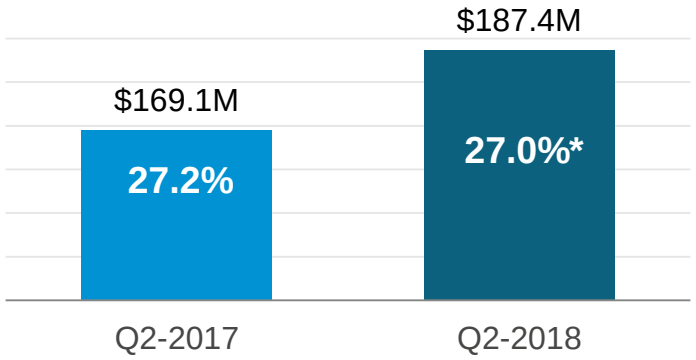
Q2-2018: Performance Sensing

REVENUE



SEGMENT PROFIT

% SEGMENT MARGIN (EXCLUDING FX)



Q2-18 REVENUE GROWTH	REPORTED	ORGANIC
Automotive	6.8%	3.9%
HVOR	16.8%	14.3%
Performance Sensing	**8.7%**	**5.9%**

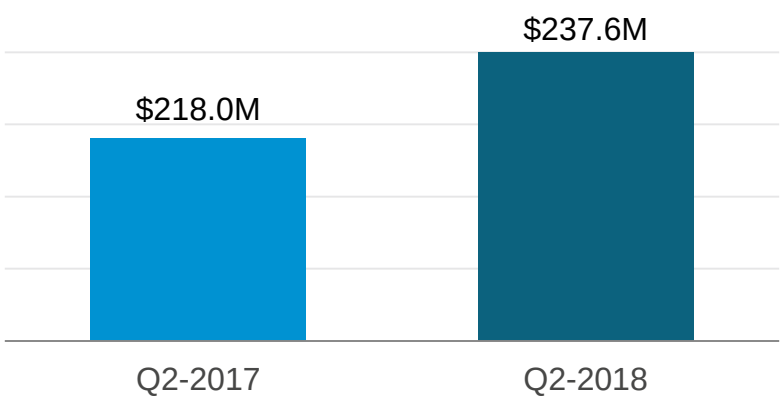
- Market and content growth remain strong in HVOR
- China and NA auto deliver strong quarters and drive overall auto growth
- Step up in R&D investment related to new design wins and funding development activities to intersect emerging megatrends

Foreign exchange 2.8% positive impact

*% of revenue, excludes FX

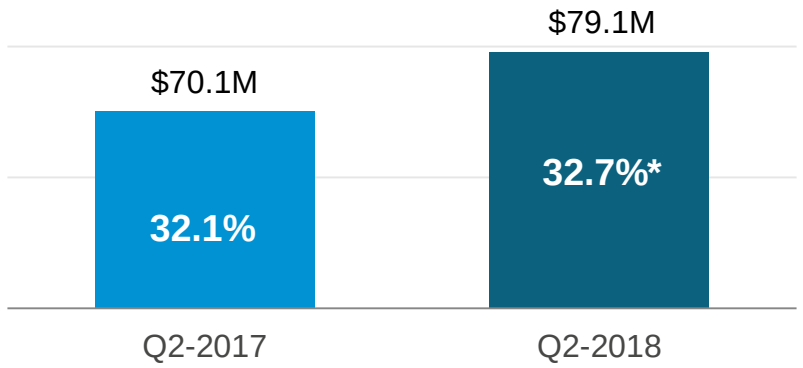
Q2-2018: Sensing Solutions

REVENUE



SEGMENT PROFIT

% SEGMENT MARGIN (EXCLUDING FX)



Q2-18 REVENUE GROWTH	REPORTED	ORGANIC
Sensing Solutions	9.0%	7.6%

Foreign exchange 1.4% impact

- Demand from industrial customers in China and NA remains healthy
- Aerospace business delivers high-single digit organic revenue growth
- Margins increase 60 basis y/y on an organic basis due to operating leverage and lower integration costs

*% of revenue, excludes FX

Q2-2018 Non-GAAP Results

	Q2-2018	Q2-2017	Δ
Revenue	$913.9M	$839.9M	8.8%
Adj. Gross Profit *(% of revenue)*	$335.7M *36.7%*	$304.8M *36.3%*	10.1%
R&D *(% of revenue)*	$38.0M *4.2%*	$31.2M *3.7%*	21.7%
Adj. SG&A *(% of revenue)*	$78.0M *8.5%*	$79.0M *9.4%*	(1.3%)
Adjusted Other Opex[1]	$1.4M	$5.8M	(75.9%)
Adj. Other Gain/(Loss), net	($7.9M)	$0.7M	NM
Adj. EBIT *(% of revenue)*	$210.4M *23.0%*	$189.6M *22.6%*	11.0%
Adj. Tax Rate[2]	6.2%	6.5%	(30 bps)
Adj. Net Income *(% of revenue)*	$160.8M *17.6%*	$139.0M *16.6%*	15.7%
Adj. EPS	$0.93	$0.81	14.8%

1 – Represents sum of adjusted amortization of intangible assets and adjusted restructuring and other charges, net

2 – Adjusted tax rate expressed as a % of adjusted EBIT; adjusted tax rate expressed as a % of Adjusted profit before tax was 7.6% in Q2 2018 and 8.2% in Q2 2017

Strong operating performance offsets negative EPS impact from Chinese Renminbi compared to previous guidance

	Q2-2018	YTD-2018
Revenue	$20.4M	$47.9M
Profit from Operations	$9.8M	$12.2M
Adj. Other, Net	($9.9M)	($7.8M)
Adj. EBIT	($0.2M)	$4.4M
Adj. EPS	($0.00)	$0.02

- Cash flow hedges over 18-24 months
- In-line with expectations

- Balance sheet hedging of net assets
- Month-to-month
- 5% depreciation of Chinese Renminbi drives Q2-18 loss in Adj. Other

- FX expected to add $0.05 -$0.09 to EPS in FY-18E
- FX expected to add ~$0.10 to EPS in FY-19E

Q3-18 Financial Guidance

	Q3-17	Q3-18 GUIDANCE	REPORTED	ORGANIC
Revenue	$819.1M	$851M - $875M	4% - 7%	5% - 7%
Adj. EBIT	$189.6M	$201M - $207M	6% - 9%	6% - 7%
Adj. Net Income	$138.8M	$150M - $156M	8% - 12%	7% - 10%
Adj. EPS	$0.81	$0.88 - $0.92	9% - 14%	9% - 11%

COMMENTS

- Strong sequential margin expansion
- FX expected to increase revenue by approximately $2M
  - Adjusted EPS: positive impact of approximately $0.02 from FX
- ~$400M share repurchase completed within 6 months
- Strong fill rate of 85%

2018 Financial Guidance

	FY-2017	FY-2018 GUIDANCE	REPORTED	ORGANIC
Revenue	$3,307M	$3,493M – $3,555M	6%– 8%	5% – 7%
Prior guidance			*5% - 8%*	*3% - 5%*
Adj. EBIT	$750M	$821M – $837M	9% – 12%	9% – 11%
Adj. Net Income	$549M	$618M – $634M	13% – 16%	12% – 14%
Adj. EPS	$3.19	$3.63 – $3.73	14% – 17%	14% – 15%
Prior guidance			*12% - 17%*	*9% - 13%*

ASSUMPTIONS

- Increasing organic growth revenue guidance
- FX expected to increase revenue by 1-2%
  - Adjusted EPS: positive impact from FX of $0.05 - $0.09
- Adjusted tax rate: ~7.0%
- Valves divestiture closes by 9/30/18
- Free cash flow of $522M - $543M

Sensata continuously creates value for shareholders

- **Accelerating** organic revenue growth
- **Industry leading-margins** that continue to expand
- Demonstrated track record of **double-digit organic EPS growth**
- **Robust** free cash flow performance
- Balanced, **value-creating** capital deployment



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APPENDIX

SENSATA SECOND QUARTER 2018 EARNINGS SUMMARY

H1 2018 GAAP Results

	H1 2018	H1 2017	Δ
Revenue	$1,800.2M	$1,647.1M	9.3%
Gross Profit (% of revenue)	$635.2M *35.3%*	$574.2M *34.9%*	10.6%
R&D (% of revenue)	$74.0M *4.1%*	$63.0M *3.8%*	17.4%
SG&A (% of revenue)	$161.8M *9.0%*	$150.9M *9.2%*	7.2%
Profit from Operations (% of revenue)	$325.7M *18.1%*	$261.6M *15.9%*	24.5%
Net Income (% of revenue)	$195.8M *10.9%*	$151.2M *9.2%*	29.5%
Tax Rate	16.1%	17.9%	(180 bps)
Diluted EPS	$1.13	$0.88	28.4%
Diluted Shares Outstanding	172.8M	171.9M	0.9M

H1 2018 Non-GAAP Results

	H1 2018	H1 2017	Δ
Revenue	$1,800.2M	$1,647.1M	9.3%
Adj. Gross Profit (% of revenue)	$643.9M *35.8%*	$584.9M *35.5%*	10.1%
R&D (% of revenue)	$74.0M *4.1%*	$63.0M *3.8%*	17.4%
Adj. SG&A (% of revenue)	$155.1M *8.6%*	$147.8M *9.0%*	4.9%
Adj. Other Opex[1]	$3.2M	$13.9M	(77.2%)
Adj. Other Gains/(Losses), net	($4.1M)	$0.1M	NM
Adj. EBIT (% of revenue)	$407.5M *22.6%*	$360.3M *21.9%*	13.1%
Adj. Tax Rate[2]	6.5%	6.4%	10 bps
Adj. Net Income	$307.8M *17.1%*	$260.5M *15.8%*	18.1%
Adj. EPS	$1.78	$1.52	17.1%

1 – Represents sum of adjusted amortization of intangible assets and adjusted restructuring and other charges, net

2 – Represents adjusted taxes divided by adjusted EBIT; adjusted tax rate expressed as a % of Adjusted profit before tax was 8.0% in Q2 2018 and 8.2% in Q2 2017

Q2-2018 Cash Flow Statement

	Q2-2018	Q2-2017	Δ
Net Income	$105.3M	$79.5M	32.5%
Depreciation & Amortization	$60.2M	$67.0M	(10.2%)
Changes in Working Capital	($54.3M)	($50.7M)	(7.0%)
Other	$19.5M	$18.4M	5.8%
Operating Cash Flow	$130.7M	$114.1M	14.5%
Capital Expenditures	($35.4M)	($34.1M)	(3.6%)
Free Cash Flow	$95.3M	$80.0M	19.1%

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

H1 2018 Cash Flow Statement

	H1 2018	H1 2017	Δ
Net Income	$195.8M	$151.2M	29.5%
Depreciation & Amortization	$123.1M	$136.1M	(9.5%)
Changes in Working Capital	($103.2M)	($83.2M)	(24.1%)
Other	$38.2M	$29.8M	28.4%
Operating Cash Flow	$253.9M	$233.8M	8.6%
Capital Expenditures	($66.3M)	($67.2M)	1.3%
Free Cash Flow	$187.6M	$166.7M	12.6%

Balance Sheet

	JUN 30, 2018	DEC 31, 2017
Total Assets	$6,806.9M	$6,641.5M
Working Capital[1]	$1,513.5M	$1,218.8M
Intangibles, Net & Other Long-Term Assets	$4,658.0M	$4,793.2M

	JUN 30, 2018	DEC 31, 2017
Cash & Equivalents	$863.4M	$753.1M
Current Debt	$11.0M	$15.7M
Net Cash	$852.3M	$737.4M

1 – June 30, 2018 includes $70.9M of net assets that are currently held for sale related to our Valves business

Sensata Peer Group

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

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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 related and other, (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 related and other, (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 related and other - includes charges, net related to certain restructuring actions as well as other costs (or income), which we believe are either unique or unusual to the identified reporting period, and that we believe impact comparisons to prior period operating results. Such amounts are excluded from internal financial statements and analyses that management uses in connection with financial planning, and in its review and assessment of our operating and financial performance, including the performance of our segments. Restructuring related and other does not, however, include charges related to the integration of acquired businesses, including such charges that are recognized as Restructuring and other charges, net in our condensed consolidated statements of operations.

(2) financing and other transaction costs – includes losses / (gains) related to debt financing transactions and third-party transaction costs, including for legal, accounting and other professional services that are directly related to equity transactions, acquisitions or divestures

(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

(5) deferred income tax and other tax expense/(benefit) – includes adjustments for book-to-tax basis differences due primarily to the step-up in fair value of fixed and intangible assets and goodwill, the utilization of net operating losses, and adjustments to our U.S. valuation allowance in connection with certain acquisitions. Other tax expense/(benefit) includes certain adjustments to unrecognized tax positions.

(6) amortization of debt issuance costs

We believe Adjusted net income 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.

Non-GAAP Measures - continued

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 – Q2-2018

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

$ in thousands	Q2 2018		Q2 2017		Change	
Total Sensata	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**
Net income	**$105,288**	**11.5%**	**$79,457**	**9.5%**	**32.5%**	**200 bps**
Interest expense, net	38,321	4.2%	40,038	4.8%	(4.3%)	(60 bps)
Provision for income taxes	23,398	2.6%	18,611	2.2%	25.7%	40 bps
Earnings before interest and taxes ("EBIT")	167,007	18.3%	138,106	16.4%	20.9%	190 bps
Non-GAAP adjustments:						
Restructuring related and other	2,339	0.3%	7,501	0.9%	(68.8%)	(60 bps)
Financing and other transaction costs	2,069	0.2%	-	0.0%	100.0%	20 bps
Deferred loss on other hedges	3,137	0.3%	2,602	0.3%	20.6%	0 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory.	35,881	3.9%	41,372	4.9%	(13.3%)	(100 bps)
Total adjustments	43,426	4.8%	51,475	6.1%	(15.6%)	(130 bps)
Adjusted EBIT	**$210,433**	**23.0%**	**$189,581**	**22.6%**	**11.0%**	**40 bps**

[1] - Percentage of net revenue

Less year-over-year change due to:		
Foreign exchange rate differences	(0.1%)	(60 bps)
Organic growth	**11.1%**	**100 bps**

Adjusted EBIT – H1-2018

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

$ in thousands	H1 2018		H1 2017		Change	
Total Sensata	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**	**Amount**	**Margin[1]**
Net income	**$195,778**	**10.9%**	**$151,193**	**9.2%**	**29.5%**	**170 bps**
Interest expense, net	76,750	4.3%	80,315	4.9%	(4.4%)	(60 bps)
Provision for income taxes	37,524	2.1%	32,943	2.0%	13.9%	10 bps
Earnings before interest and taxes ("EBIT")	310,052	17.2%	264,451	16.1%	17.2%	110 bps
Non-GAAP adjustments:						
Restructuring related and other	9,003	0.5%	15,192	0.9%	(40.7%)	(40 bps)
Financing and other transaction costs	7,759	0.4%	-	0.0%	100.0%	40 bps
Deferred loss/(gain) on other hedges	9,199	0.5%	(2,738)	(0.2%)	436.0%	70 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory.	71,511	4.0%	83,366	5.1%	(14.2%)	(110 bps)
Total adjustments	97,472	5.4%	95,820	5.8%	1.7%	(40 bps)
Adjusted EBIT	**$407,524**	**22.6%**	**$360,271**	**21.9%**	**13.1%**	**70 bps**

[1] - Percentage of net revenue

Less year-over-year change due to:		
Foreign exchange rate differences	1.2%	(40 bps)
Organic growth	**11.9%**	**110 bps**

Adjusted EBITDA

$ in thousands	Period						
Total Sensata	**LTM**	**H1 2018**	**Q2 2018**	**Q1 2018**	**Q4 2017**	**Q3 2017**	**Q2 2017**
Net income	**$452,942**	**$195,778**	**$105,288**	**$90,490**	**$169,129**	**$88,035**	**$79,457**
Interest expense, net	156,196	76,750	38,321	38,429	39,183	40,263	40,038
Provision for/(benefit from) income taxes	(1,335)	37,524	23,398	14,126	(53,675)	14,816	18,611
Depreciation expense	107,964	53,445	25,590	27,855	27,307	27,212	26,007
Amortization of intangible assets	149,452	69,663	34,594	35,069	39,472	40,317	41,003
Earnings before interest, taxes, depreciation, and amortization ("EBITDA")	$865,219	$433,160	$227,191	$205,969	$221,416	$ 210,643	$205,116
Non-GAAP adjustments:							
Restructuring related and other	14,719	9,003	2,339	6,664	3,032	2,684	7,185
Financing and other transaction costs	17,026	7,759	2,069	5,690	4,729	4,538	-
Deferred loss/(gain) on other hedges	4,572	9,199	3,137	6,062	(2,124)	(2,503)	2,602
Adjusted EBITDA	**$901,536**	**$459,121**	**$234,736**	**$224,385**	**$227,053**	**$215,362**	**$214,903**

ANI, Adjusted EPS, and ANI Margin – Q2-2018

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	Q2 2018			Q2 2017			Change		
Total Sensata	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**
Net income	**$105,288**	**$0.61**	**11.5%**	**$79,457**	**$0.46**	**9.5%**	**32.5%**	**32.6%**	**200 bps**
Non-GAAP adjustments:									
Restructuring related and other	2,339	0.01	0.3%	7,501	0.04	0.9%	(68.8%)	(75.0%)	(60 bps)
Financing and other transaction costs	2,069	0.01	0.2%	-	-	0.0%	100.0%	100.0%	20 bps
Deferred loss on other hedges	3,137	0.02	0.3%	2,602	0.02	0.3%	20.6%	0.0%	0 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory	35,881	0.21	3.9%	41,372	0.24	4.9%	(13.3%)	(12.5%)	(100 bps)
Deferred income tax and other tax expense/(benefit)	10,250	0.06	1.1%	6,271	0.04	0.7%	63.5%	50.0%	40 bps
Amortization of debt issuance costs	1,838	0.01	0.2%	1,836	0.01	0.2%	0.1%	0.0%	0 bps
Total adjustments	55,514	0.32	6.1%	59,582	0.35	7.1%	(6.8%)	(8.6%)	(100 bps)
Adjusted net income ("ANI")	**$160,802**	**$0.93**	**17.6%**	**$139,039**	**$0.81**	**16.6%**	**15.7%**	**14.8%**	**100 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	(0.1%)	0.0%	(40 bps)
Organic growth	**15.8%**	**14.8%**	**140 bps**

ANI, Adjusted EPS, and ANI Margin – H1-2018

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	H1 2018			H1 2017			Change		
Total Sensata	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**	**Amount**	**EPS[1]**	**Margin[2]**
Net income	**$195,778**	**$1.13**	**10.9%**	**$151,193**	**$0.88**	**9.2%**	**29.5%**	**28.4%**	**170 bps**
Non-GAAP adjustments:									
Restructuring related and other	9,003	0.05	0.5%	15,192	0.09	0.9%	(40.7%)	(44.4%)	(40 bps)
Financing and other transaction costs	7,759	0.04	0.4%	-	-	0.0%	100.0%	100.0%	40 bps
Deferred loss/(gain) on other hedges	9,199	0.05	0.5%	(2,738)	(0.02)	(0.2%)	436.0%	350.0%	70 bps
Depreciation and amortization expense related to the step-up in fair value of fixed and intangible assets and inventory.	71,511	0.41	4.0%	83,366	0.48	5.1%	(14.2%)	(14.6%)	(110 bps)
Deferred income tax and other tax (benefit)/expense	10,886	0.06	0.6%	9,813	0.06	0.6%	10.9%	0.0%	0 bps
Amortization of debt issuance costs	3,643	0.02	0.2%	3,693	0.02	0.2%	(1.4%)	0.0%	0 bps
Total adjustments	112,001	0.65	6.2%	109,326	0.64	6.6%	2.4%	1.6%	(40 bps)
Adjusted net income ("ANI")	**$307,779**	**$1.78**	**17.1%**	**$260,519**	**1.52**	**15.8%**	**18.1%**	**17.1%**	**130 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	1.6%	1.3%	(20 bps)
Organic growth	**16.5%**	**15.8%**	**150 bps**

Adjusted Taxes and Adjusted Tax Rate

$ in thousands	Q2		H1	
Total Sensata	**2018**	**2017**	**2018**	**2017**
Provision for income taxes	**$23,398**	**$18,611**	**$37,524**	**$32,943**
Non-GAAP adjustments:				
Deferred income tax and other tax expense/(benefit)	10,250	6,271	10,886	9,813
Adjusted taxes	**$13,148**	**$12,340**	**$26,638**	**23,130**
Adjusted EBIT	$210,433	$189,581	$407,524	$360,271
Adjusted tax rate	**6.2%**	**6.5%**	**6.5%**	**6.4%**

Free Cash Flow

$ in thousands	Q2			H1		
Total Sensata	**2018**	**2017**	**Change**	**2018**	**2017**	**Change**
Net cash provided by operating activities	**$130,658**	**$114,148**	**14.5%**	**$253,913**	**$233,849**	**8.6%**
Additions to property, plant and equipment and capitalized software	(35,363)	(34,133)	(3.6%)	(66,301)	(67,192)	1.3%
Free cash flow	**$95,295**	**$80,015**	**19.1%**	**$187,612**	**$166,657**	**12.6%**

Net Debt and Net Leverage Ratio

$ in thousands

Total Sensata	As of 30-Jun-18	31-Mar-18	31-Dec-17
Current portion of long-term debt, capital lease and other financing obligations	$11,044	$8,178	$15,720
Capital lease and other financing obligations	26,098	27,735	28,739
Long-term debt	3,221,039	3,221,676	3,225,810
Total debt, capital lease and other financing obligations	**3,258,181**	**3,257,589**	**3,270,269**
Less: Discount	(16,545)	(17,233)	(14,424)
Less: Deferred financing costs	(25,457)	(26,607)	(27,758)
Total gross indebtedness	3,300,183	3,301,429	3,312,451
Less: Cash and cash equivalents	863,380	828,266	753,089
Net debt	**$2,436,803**	**$2,473,163**	**$2,559,362**
Adjusted EBITDA (LTM)	$901,536	$881,703	$853,626
Net leverage ratio	**2.7**	**2.8**	**3.0**

Organic Revenue Growth

	2018 versus 2017	
Total Sensata	**Q2**	**H1**
Reported net revenue (percentage) change	**8.8%**	**9.3%**
Less year-over-year change due to:		
Foreign exchange rate differences	2.4%	2.9%
Organic revenue growth	**6.4%**	**6.4%**

Performance Sensing	**Q2**	**H1**
Reported net revenue (percentage) change	**8.7%**	**9.6%**
Less year-over-year change due to:		
Foreign exchange rate differences	2.8%	3.4%
Organic revenue growth	**5.9%**	**6.2%**

Sensing Solutions	**Q2**	**H1**
Reported net revenue (percentage) change	**9.0%**	**8.5%**
Less year-over-year change due to:		
Foreign exchange rate differences	1.4%	1.5%
Organic revenue growth	**7.6%**	**7.0%**

Segment Margin

$ in thousands	Q2			H1		
Performance Sensing	**2018**	**2017**	**Change**	**2018**	**2017**	**Change**
Segment profit	$187,365	$169,100	10.8%	$356,775	$320,836	11.2%
Segment net revenue	676,217	621,829	8.7%	1,339,046	1,221,972	9.6%
Segment margin (reported basis)	**27.7%**	**27.2%**	**50 bps**	**26.6%**	**26.3%**	**30 bps**
Less year-over-year change due to:						
Foreign exchange rate differences	0.7%	0.0%	70 bps	0.1%	0.0%	10 bps
Segment margin (constant currency basis)	**27.0%**	**27.2%**	**(20 bps)**	**26.5%**	**26.3%**	**20 bps**

Sensing Solutions	**2018**	**2017**	**Change**	**2018**	**2017**	**Change**
Segment profit	$79,070	$70,101	12.8%	$150,954	$137,539	9.8%
Segment net revenue	237,643	218,045	9.0%	461,107	425,173	8.5%
Segment margin (reported basis)	**33.3%**	**32.1%**	**120 bps**	**32.7%**	**32.3%**	**40 bps**
Less year-over-year change due to:						
Foreign exchange rate differences	0.6%	0.0%	60 bps	0.1%	0.0%	10 bps
Segment margin (constant currency basis)	**32.7%**	**32.1%**	**60 bps**	**32.6%**	**32.3%**	**30 bps**