

SENSATA THIRD QUARTER 2022 EARNINGS PRESENTATION

October 25, 2022

Forward-Looking Statements and Non-GAAP Measures

Safe Harbor Statement

This presentation includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. 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," "potential," "opportunity," "guidance," and similar terms or phrases. Forward-looking statements involve, among other things, expectations, projections, and assumptions about future financial and operating results, objectives, business and market outlook, megatrends, priorities, growth, shareholder value, capital expenditures, cash flows, demand for products and services, share repurchases, and Sensata's strategic initiatives, including those relating to acquisitions and dispositions and the impact of such transactions on our strategic and operational plans and financial results. These statements are subject to risks, uncertainties, and other important factors relating to our operations and business environment, and we can give no assurances that these forward-looking statements will prove to be correct.

A wide variety of potential risks, uncertainties, and other factors could materially affect our ability to achieve the results either expressed or implied by these forward-looking statements, including, but not limited to, risks related to public health crises, instability and changes in the global markets, supplier interruption or non-performance, the acquisition or disposition of businesses, adverse conditions or competition in the industries upon which we are dependent, intellectual property, product liability, warranty and recall claims, market acceptance of new product introductions and product innovations, labor disruptions or increased labor costs, and changes in existing environmental or safety laws, regulations, and programs.

Investors and others should carefully consider the foregoing factors and other uncertainties, risks and potential events including, but not limited to, those described in Item 1A: Risk Factors in our most recent Annual Report on Form 10-K and as may be updated from time to time in Item 1A: Risk Factors in our quarterly reports on Form 10-Q or other subsequent filings with the United States ("U.S.") Securities and Exchange Commission (the "SEC"). All such forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update these statements other than as required by law.

Non-GAAP Financial Measures

Where we have used non-GAAP financial measures, reconciliations to the most comparable GAAP measures are provided, along with a disclosure on the usefulness of the non-GAAP measure, at the back of this presentation as well as in the "Investor Relations" section of the Company's website, www.investors.sensata.com.

Key Performance Highlights

Continued strong outgrowth	• **Strong Q3-22 revenue outgrowth of 650 bps** across all of Sensata • **LTM outgrowth of 720 bps**
Record new business wins	• Company achieved **record new business wins, surpassing previous annual record in just nine months; ~70% of wins in Electrification**
Successful M&A	• Acquisitions net of divestitures added **330 bps of inorganic Revenue Growth in Q3-22** • Dynapower acquisition, paired with Qinex divestment, enhances Sensata's growth trajectory
Navigating market disruptions	• **Successful pricing execution** in response to component and logistics cost inflation • Experienced management team, effective business strategy, diversified customer base, variable cost structure, differentiated technology and strong balance sheet **combine to position Sensata to emerge stronger** following these market disruptions

ELECTRIFICATION PRODUCT CATEGORIES

Components

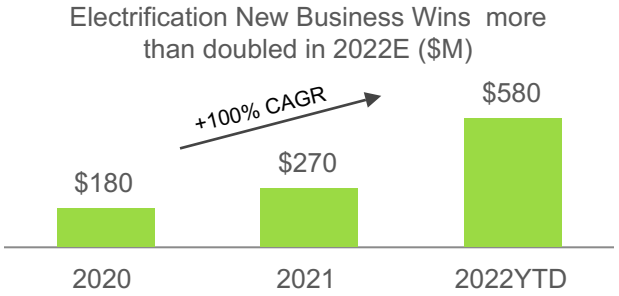
Power Conversion

Energy Storage

Combines technology from across Sensata:

- Gigavac
- Churod JV
- Lithium Balance
- Spear Power Systems
- Sendyne
- Dynapower

Sensata is executing well on the Electrification opportunity in front of us



Green House Gas emissions reduction efforts, including increasing renewable power generation and conversion to electric vehicles, are driving Sensata's Electrification growth vector

$2B

Electrification revenue expected by 2026

- Accelerating due to lowered costs, increased regulation, and growth in infrastructure investment
- Electrification revenue on track to achieve 2022 expectations of 50% growth
- BEV content well on track to grow to 2x that of ICE by 2026
- IHS now expects 1/3 of light vehicles will be BEV + PHEV by 2026, up from 1/4 at the start of 2022

HIGH VOLTAGE PRODUCT CATEGORY UPDATE

High Voltage Junction Boxes

- **Power Distribution Units**
- **Charging Units**
- **Battery Disconnect Units**

Combines technology from across Sensata:

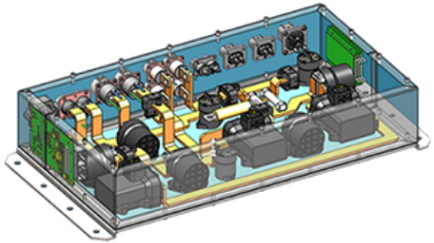
- Multiple Contactors
- Fast Disconnect Devices
- Current Sensing
- Control Electronics including Battery Management System

High Voltage Junction Boxes capitalize on Sensata's strengths; $250M* business wins YTD

>$60M*

Charge unit win

- Unique design solves critical high voltage electrical needs for leading EU HVOR OEM platforms launching in 2025



>$7B

Addressable market by 2030

- Core competencies in power density and thermal management enable Sensata to move up the stack to provide system-level solutions where customers require integration
- Pipeline of $500M* in potential future business under active customer discussion

*Dollar figures represent expected/potential annual revenue post-launch

TIRE PRESSURE SENSING IN HEAVY COMMERCIAL VEHICLES

Regulations that drive adoption

- **EU fitment requirements by mid-2024**
- **NA credit against GHG reduction requirements in 2024 and 2027**
- **CN safety regulations on certain commercial vehicle types**

Sensata's proven and robust TPMS solutions, including auto-location and cybersecurity support, are winning share in upcoming heavy vehicle tire pressure applications

Sensata's Safe & Efficient sensing capabilities remain vital and prosperous

Example: steady pace of heavy vehicle Tire Pressure Sensing new business wins from past three years are starting to launch now, driving revenue



VALVE MOUNTED SENSOR



ELECTRONIC CONTROL UNIT



EXTERNAL RECEIVER

$100M

expected annual revenue from heavy vehicle TPMS by 2027

- TPMS will become one of the next key contributors to Sensata's heavy vehicle revenue outgrowth over the next several years; expected revenue CAGR >40%
- Sensata is the market leader in tire pressure sensing and we have won an even higher share of awards in heavy vehicle applications
- High margin opportunity benefiting from existing scale of TPMS manufacturing for light vehicles

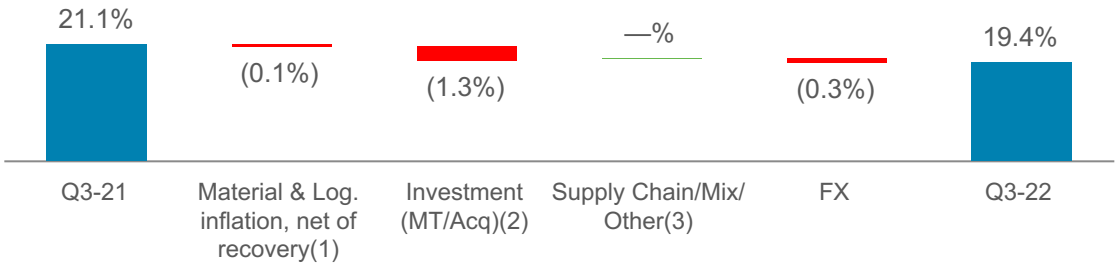
Sensata Technologies

Q3-22 FINANCIALS AND Q4-22 FINANCIAL GUIDANCE

Q3-2022 Financial Summary

$ in millions, except EPS	Q3-2022	Q2-2022	Q3-2021	B/(W)
Revenue	$1,018.3	$1,020.5	$951.0	7.1 %
Adjusted Operating Income	$197.3	$193.8	$201.0	(1.8)%
% Revenue	*19.4%*	*19.0%*	*21.1%*	
Adjusted Net Income	$131.0	$129.5	$138.6	(5.4)%
% Revenue	*12.9%*	*12.7%*	*14.6%*	
Adjusted EPS	$0.85	$0.83	$0.87	(2.3)%

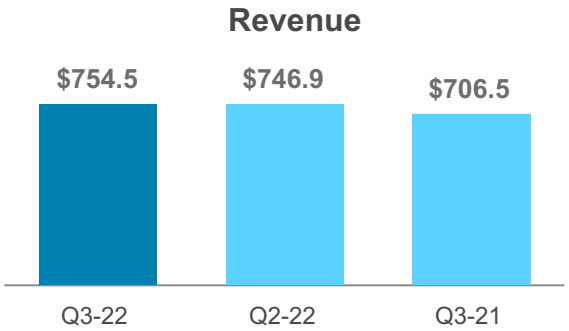
ADJUSTED OPERATING MARGIN WALK Q3-21 TO Q3-22

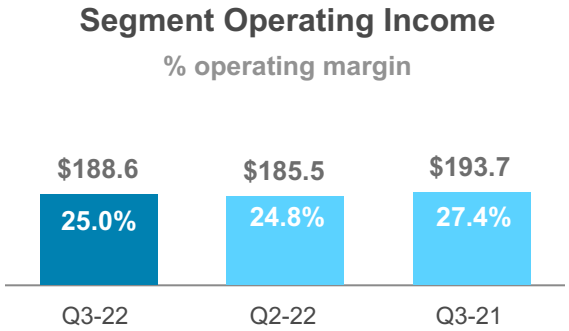


- Revenue growth YoY of 7.1% composed of:
  - Outgrowth of 6.5%, market growth of 10.6%, and net M&A of 3.3%
  - Offset by inventory movements of (10.0%) and foreign exchange of (3.3%)
- Adjusted operating income margin decreased YoY due to:
  - Investments in R&D and acquisitions to power future growth of the business
  - Unfavorable FX

1) Includes inflationary component and logistics costs offset by increased pricing.
2) R&D investments to drive key growth vectors and net impact of acquisitions and divestitures.
3) Includes volumes, productivity, customer mix, and compensation.

Q3-2022: Performance Sensing





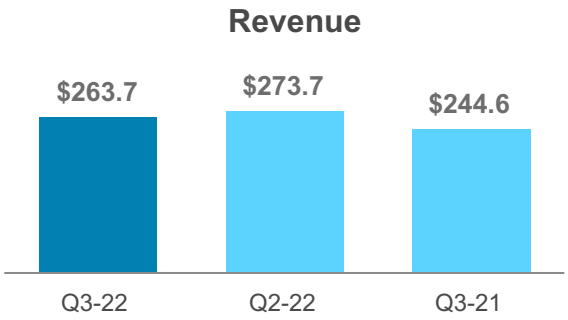
Q3-22 YoY Revenue Growth	Reported	Organic
Automotive	7.6%	11.9%
Heavy Vehicle, Off-Road	5.0%	(3.4%)
Performance Sensing	**6.8%**	**7.2%**

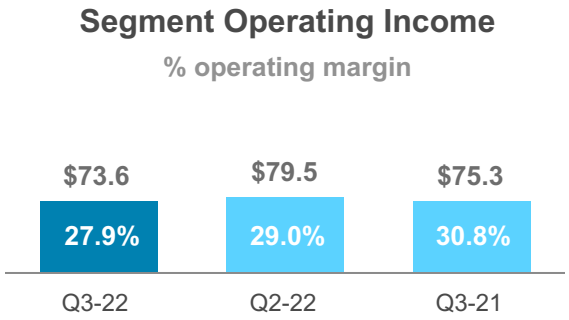
▼ Foreign exchange (3.6%) negative impact

▲ Acquisitions 3.2% positive impact

- Automotive revenue increase reflects new product launches, pricing, and market growth partially offset by unfavorable FX
  - $70M inventory build in Q3-21, ($20M) inventory unwind in Q3-22
- HVOR organic revenue decline reflects declining market and $5M inventory build in Q3-21, partially offset by strong outgrowth including pricing
  - Acquisitions partially offset by unfavorable FX enabled HVOR reported growth
- Segment operating margin declined due to acquisitions and growth in Megatrends, persistent supply challenges, customer mix, and FX

Q3-2022: Sensing Solutions





Q3-22 YoY Revenue Growth	Reported	Organic
Industrial & Other	7.5%	6.4%
Aerospace	9.9%	10.0%
Sensing Solutions	**7.8%**	**6.9%**

▼ Foreign exchange (2.4%) negative impact

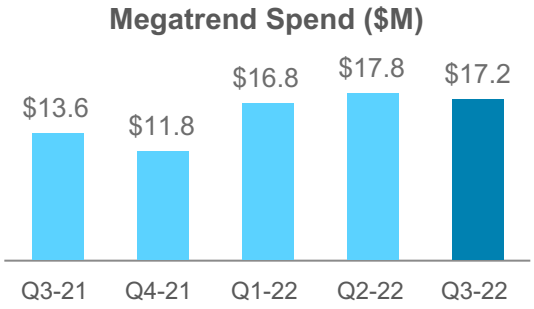
▲ Net Acquisitions and Divestitures 3.3% positive impact

- Revenue increase YoY reflects new Electrification launches, pricing, and revenue from acquisitions, offset by unfavorable FX
- Segment operating margin declined due to dilutive impact of acquisitions, material and logistics inflation, partially offset by pricing, and continued supply challenges

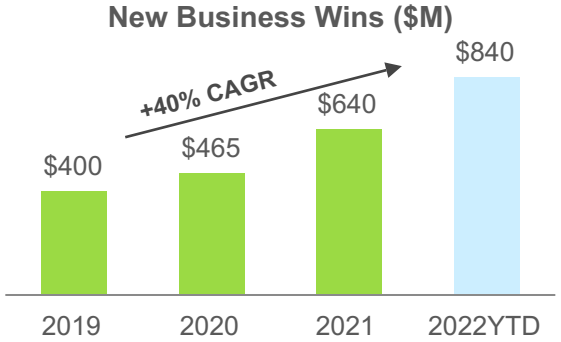
Corporate and Other Operating Expenses

$ in millions	Q3-2022	Q2-2022	Q3-2021	B/(W)
Corporate and Other	$76.4	$76.4	$72.7	(5.0%)
% Revenue	*7.5%*	*7.5%*	*7.6%*	
Adj. Corporate and Other	$63.3	$69.4	$65.7	3.7%
% Revenue	*6.2%*	*6.8%*	*6.9%*	

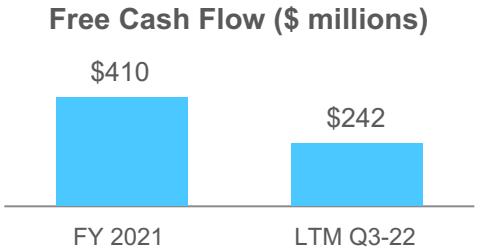
- Adj. Corporate and Other decrease primarily due to lower incentive compensation and FX, partially offset by higher Megatrend investments



- **$17.2M** Megatrend spend in Q3-22
- **$65M – $70M** Megatrend spend expected in 2022
- Expect 2023 spend flat with 2022
- Record new business wins again in 2022 support increased investment



Sensata's financial position is strong with over $1.1B in cash; refinanced $500M Oct-23 Note at attractive rate



$0.11

Quarterly Dividend Payment

on Nov 23 for shareholders of record as of Nov 9, 2022; $17M total

$98M

Share Repurchase

during Q3-22

$242M*

LTM free cash flow, 46% conversion; **~65% conversion** rate now expected for full year 2022

$36M

Q3-22 Capital Expenditures; **$135M–$145M** expected for full year 2022

3.6x

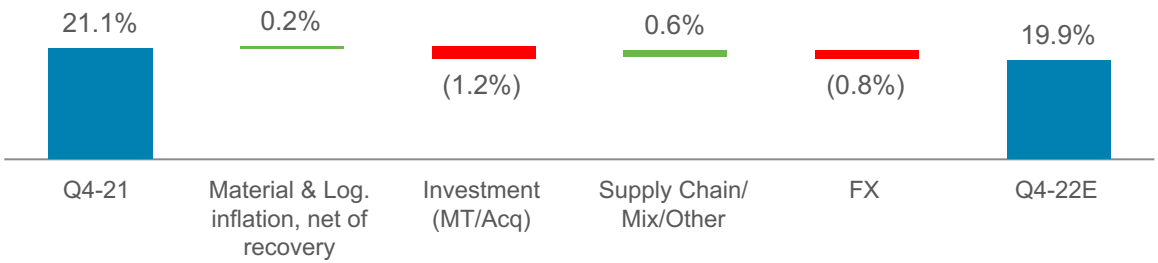
net leverage ratio as of September 30, 2022; 3.4x expected by FYE absent M&A; no Notes due before Oct-24

*Q3-22 free cash flow lowered due to increases in inventory to offset supply chain issues and acquisition-related compensation payment.

Q4-22 Financial Guidance

$ in millions, except EPS	Q4-22 GUIDANCE	Q3-22	Q4-21	B/(W)
Revenue *organic*	$980 – $1,020	$1,018.3	$934.6	5% - 9% *7% - 11%*
Adj. Op Income	$193 – $205	$197.3	$197.6	(2%) - 4%
Adj. Net Income	$130 – $140	$131.0	$139.3	(7%) - 1%
Adj. EPS	$0.85 – $0.91	$0.85	$0.87	(2%) - 5%

ADJUSTED OPERATING MARGIN WALK Q4-21 TO Q4-22E



- Q4-22 end-market growth expected to be ~(2%) YoY
  - Auto: ~3%
  - HVOR: ~(13%)
  - Industrial: ~(7%)
  - Aerospace: ~17%
- FX expected to decrease revenue by ~(4.3%)
  - Adjusted EPS: ($0.11) decrease from FX at mid-point
- Fill rate of 93% at the mid-point
- Expected 2023 FX revenue impact: (2.9%)
  - Adj. EPS: ($0.11)

Key Messages – Looking Forward



Deliver strong outgrowth to market

Long-term company outgrowth target of 400-600 bps



Execute long-term strategy to drive organic revenue growth

Evidenced by accelerating pace of new business wins in growth vector areas



Reach our ESG Goals

Making substantial progress on GHG emissions intensity, racial and gender diversity goals



Create additional value through M&A

Targeting M&A to expand Electrification and Insights capabilities



Foster a culture of innovation

Helping customers solve their mission-critical, hard-to-do engineering challenges



Generate industry-leading margins

Targeting 21% adj. operating margins while making incremental investments in our growth and our people

Sensata Technologies

APPENDIX A

OTHER FINANCIAL INFORMATION

Q3-2022 GAAP Results

$ and shares outstanding in millions, except EPS	Q3-2022	Q3-2021	B/(W)
Revenue	$1,018.3	$951.0	7.1 %
Gross Profit *(% of revenue)*	$323.7 *31.8%*	$322.1 *33.9%*	0.5%
R&D *(% of revenue)*	$47.9 *4.7%*	$40.1 *4.2%*	(19.7%)
SG&A *(% of revenue)*	$90.0 *8.8%*	$85.8 *9.0%*	(4.9%)
Amortization of Intangibles *(% of revenue)*	$40.3 *4.0%*	$34.6 *3.6%*	(16.6%)
Restructuring and Other *(% of revenue)*	$(107.4) *(10.6%)*	$0.3 *0.0%*	NM
Operating Income *(% of revenue)*	$252.9 *24.8%*	$161.3 *17.0%*	56.8%
Tax Rate	24.9%	20.4%	(450) bps
Net Income *(% of revenue)*	$140.3 *13.8%*	$85.0 *8.9%*	65.1%
Diluted EPS	$0.91	$0.53	71.7%
Diluted Shares Outstanding	154.9	159.5	4.5

Q3-2022 Non-GAAP Results

$ and shares outstanding in millions, except EPS	Q3-2022	Q3-2021	B/(W)
Revenue	$1,018.3	$951.0	7.1 %
Adj. Gross Profit	$332.4	$326.1	1.9%
(% of revenue)	*32.6%*	*34.3%*	
R&D	$47.9	$40.1	(19.7%)
(% of revenue)	*4.7%*	*4.2%*	
Adj. SG&A	$85.6	$82.8	(3.4%)
(% of revenue)	*8.4%*	*8.7%*	
Adj. Operating Income	$197.3	$201.0	(1.8%)
(% of revenue)	*19.4%*	*21.1%*	
Adj Tax Rate [1]	11.6%	9.9%	(170) bps
Adj. Net Income	$131.0	$138.6	(5.4%)
(% of revenue)	*12.9%*	*14.6%*	
Adj. EPS	$0.85	$0.87	(2.3%)
Diluted Shares Outstanding	154.9	159.5	4.5

1 – Adjusted tax rate expressed as a % of adjusted profit before tax. Adjusted tax rate expressed as a % of adjusted EBIT was 9.0% and 7.7% in Q3-2022 and Q3-2021, respectively.

Q3-2022 Cash Flow Statement

$ in millions	Q3-2022	Q3-2021	B/(W)
Net Income	$140.3	$85.0	65.1%
Depreciation & Amortization	$72.0	$66.1	8.9%
Changes in Working Capital	($23.1)	($37.5)	38.4%
Other	($95.3)	$11.8	NM
Operating Cash Flow	$93.8	$125.3	(25.1%)
Capital Expenditures	($36.4)	($36.8)	1.3%
Free Cash Flow	$57.5	$88.5	(35.1%)

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

Balance Sheet

$ in millions	SEP 30, 2022	DEC 31, 2021
Total Assets	$8,712.6	$8,613.8
Working Capital	$1,794.2	$2,240.7
Intangibles, Net & Other Long-Term Assets	$6,012.4	$5,536.8

$ in millions	SEP 30, 2022	DEC 31, 2021
Cash & Equivalents	$1,103.9	$1,709.0
Current Debt	$6.5	$6.8
Net Cash	$1,097.4	$1,702.1



APPENDIX B

GAAP TO NON-GAAP RECONCILIATIONS

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 may 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 this Appendix.

Adjusted EBITDA – represents net income (or loss), determined in accordance with U.S. GAAP, excluding interest expense, net, provision for/(benefit from) income taxes, depreciation expense, amortization of intangible assets, and the following non-GAAP adjustments, if applicable: (1) restructuring related and other, (2) financing and other transaction costs, (3) deferred gain or loss on derivative instruments, and (4) step-up inventory amortization. Refer to definition of ANI, below, for additional information regarding the nature of these non-GAAP adjustments.

Adjusted EPS – represents ANI divided by the number of diluted weighted-average ordinary shares outstanding. Refer also to definition of ANI, below.

Adjusted Operating Income – represents operating income (or loss), determined in accordance with U.S. GAAP, adjusted to exclude the following non-GAAP items, if applicable: (1) restructuring related and other, (2) financing and other transaction costs, (3) deferred gain or loss on derivative instruments, and (4) step-up amortization and depreciation. Refer to definition of ANI, below, for additional information regarding the nature of these non-GAAP adjustments.

Adjusted Operating Margin – represents adjusted operating income divided by net revenue.

Adjusted Net income ("ANI") – represents net income (or loss), determined in accordance with U.S. GAAP, excluding certain non-GAAP adjustments including:

a. Restructuring related and other - includes charges, net related to certain restructuring and other exit activities as well as other costs (or income) that we believe are either unique or unusual to the identified reporting period, and that we believe impact comparisons to prior period operating results. Such costs include charges related to optimization of our manufacturing processes to increase productivity. This type of activity occurs periodically, however each action is unique, discrete, and driven by various facts and circumstances. 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.

b. Financing and other transaction costs – includes losses or gains related to debt financing transactions, investment gains/losses, expense associated with compensation arrangements entered into in conjunction with acquisitions, gain/loss related to changes in fair value of acquisition-related contingent consideration, losses or gains related to the divestiture of a business, and costs incurred, including for legal, accounting, and other professional services, that are directly related to an acquisition, divestiture, or equity financing transaction.

c. Deferred loss or gain on derivative instruments – includes unrealized losses or gains on derivative instruments that do not qualify for hedge accounting as well as the impact of commodity prices on our raw material costs relative to the strike price on our commodity forward contracts.

d. Step-up depreciation and amortization – includes depreciation and amortization expense associated with the step-up in fair value of assets acquired in connection with a business combination (e.g., PP&E, definite-lived intangible assets, and inventory).

e. Deferred taxes and other tax related – 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 valuation allowance in connection with certain acquisitions and tax law changes. Other tax related items include certain adjustments to unrecognized tax positions and withholding tax on repatriation of foreign earnings.

f. Amortization of debt issuance costs.

g. Where applicable, the current tax effect of non-GAAP adjustments (i.e., we use the current rather than the total tax effect since we excluded deferred income taxes from ANI).

Non-GAAP Measures – continued

Organic or Constant Currency Measures – in discussing trends in the Company's performance, we may refer to the percentage change of certain GAAP or non-GAAP financial measures in one period versus another, calculated on either a reported, constant currency, or organic basis. Changes calculated on a constant currency basis exclude the period-over-period impact of foreign exchange rate differences while changes calculated on an organic basis exclude the period-over-period impact of foreign exchange rate differences as well as the net impact of material acquisitions and divestitures for the 12 month period following the respective transaction date(s). We believe that these measures are 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, finance 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 that the net leverage ratio is a useful measure to management and investors in understanding trends in our overall financial condition.

Adjusted Taxes & Adjusted Tax Rate – adjusted taxes represents the provision for/(benefit from) income taxes, determined in accordance with U.S. GAAP, adjusted to exclude deferred taxes and other tax related items as well as the current tax effect of other non-GAAP adjustments (refer also to definition of ANI). The adjusted tax rate is calculated as adjusted taxes divided by adjusted income before taxes.

Adjusted EBITDA

$ in thousands	Period					
Total Sensata	**LTM**	**3Q 2022**	**2Q 2022**	**1Q 2022**	**4Q 2021**	**3Q 2021**
Net income	**$ 309,507**	**$ 140,253**	**$ 34,841**	**$ 22,441**	**$ 111,972**	**$ 84,959**
Interest expense, net	180,041	44,856	44,842	45,445	44,898	45,137
Provision for income taxes	74,607	46,421	20,020	7,588	578	21,840
Depreciation expense	125,160	31,680	31,351	31,531	30,598	31,528
Amortization of intangible assets	147,122	40,313	36,805	37,367	32,637	34,571
Earnings before interest, taxes, depreciation, and amortization ("EBITDA")	836,437	303,523	167,859	144,372	220,683	218,035
Non-GAAP adjustments:						
Restructuring related and other	29,800	16,394	4,330	4,149	4,927	4,340
Financing and other transaction costs	7,698	(101,380)	28,727	75,104	5,247	(1,823)
Deferred loss/(gain) on derivative instruments	14,173	5,671	19,444	(8,772)	(2,170)	9,062
Adjusted EBITDA	**$ 888,108**	**$ 224,208**	**$ 220,360**	**$ 214,853**	**$ 228,687**	**$ 229,614**

Organic Revenue Growth

	Q3-2022				
	Reported % Change (GAAP)	Less: FX Impact	Constant Currency % Change (non-GAAP)	Less: Acquisition & Divestitures, net	Organic Growth (non-GAAP)
Performance Sensing	**6.8%**	(3.6%)	**10.4%**	3.2%	**7.2%**
Sensing Solutions	**7.8%**	(2.4%)	**10.2%**	3.3%	**6.9%**
Sensata Total	**7.1%**	(3.3%)	**10.4%**	3.3%	**7.1%**

	Q3 YTD 2022				
	Reported % Change (GAAP)	Less: FX Impact	Constant Currency % Change (non-GAAP)	Less: Acquisition & Divestitures, net	Organic Growth (non-GAAP)
Performance Sensing	**2.6%**	(2.2%)	**4.8%**	3.7%	**1.1%**
Sensing Solutions	**10.0%**	(1.6%)	**11.6%**	2.5%	**9.1%**
Sensata Total	**4.4%**	(2.1%)	**6.5%**	3.4%	**3.1%**

Free Cash Flow

$ in thousands	Q3			Q3 YTD		
Total Sensata	**2022**	**2021**	**Change**	**2022**	**2021**	**Change**
Net cash provided by operating activities	**$ 93,845**	**$ 125,295**	**(25.1%)**	**$ 235,733**	**$ 393,226**	**(40.1%)**
Additions to property, plant and equipment and capitalized software	(36,355)	(36,838)	1.3%	(110,424)	(100,410)	(10.0%)
Free cash flow	**$ 57,490**	**$ 88,457**	**(35.0%)**	**$ 125,309**	**$ 292,816**	**(57.2%)**

Net Debt and Net Leverage Ratio

$ in thousands	As of				
Total Sensata	**9/30/2022**	**6/30/2022**	**3/31/2022**	**12/31/2021**	**9/30/2021**
Current portion of long-term debt, finance lease and other financing obligations	$ 6,536	$ 6,566	$ 6,694	$ 6,833	$ 6,632
Finance lease and other financing obligations, less current portion	25,180	25,623	26,347	26,564	27,000
Long-term debt, net	4,208,670	4,213,512	4,215,505	4,214,946	4,214,388
Total debt, finance lease and other financing obligations	**4,240,386**	**4,245,701**	**4,248,546**	**4,248,343**	**4,248,020**
Less: Discount, net of premium	(3,740)	(4,317)	(4,763)	(5,207)	(5,652)
Less: Deferred financing costs	(30,952)	(26,691)	(25,410)	(26,682)	(27,953)
Total gross indebtedness	4,275,078	4,276,709	4,278,719	4,280,232	4,281,625
Less: Cash and cash equivalents	1,103,916	1,558,578	1,608,481	1,708,955	1,958,144
Net debt	**$ 3,171,162**	**$ 2,718,131**	**$ 2,670,238**	**$ 2,571,277**	**$ 2,323,481**
Adjusted EBITDA (LTM)	$ 888,108	$ 893,514	$ 915,544	$ 928,276	$ 927,616
Net leverage ratio	**3.6**	**3.0**	**2.9**	**2.8**	**2.5**

Adjusted Taxes and Adjusted Tax Rate

$ in thousands	Q3		Q3 YTD	
Total Sensata	**2022**	**2021**	**2022**	**2021**
Provision for income taxes	**$ 46,421**	**$ 21,840**	**$ 74,029**	**$ 49,759**
Non-GAAP adjustments:				
Deferred income tax and other tax expense	27,121	1,971	28,455	5,893
Current tax effect of non-GAAP adjustments	2,164	4,599	(1,168)	(333)
Adjusted taxes	**$ 17,136**	**$ 15,270**	**$ 46,742**	**$ 44,199**
Adjusted income before taxes	$ 148,183	$ 153,836	$ 430,751	$ 471,733
Adjusted tax rate	**11.6 %**	**9.9 %**	**10.9 %**	**9.4 %**

Other GAAP to non-GAAP Reconciliations

$ in thousands (except EPS amounts)

Total Sensata	Q3-2022 Operating Income	Q3-2022 Operating Margin	Q3-2022 Net Income	Q3-2022 EPS	Q3-2021 Operating Income	Q3-2021 Operating Margin	Q3-2021 Net Income	Q3-2021 EPS
Reported (GAAP)	**$ 252,901**	**24.8%**	**$ 140,253**	**$ 0.91**	**$ 161,339**	**17.0%**	**$ 84,959**	**$ 0.53**
Non-GAAP adjustments:								
Restructuring related and other	16,394	1.6%	15,967	0.10	5,426	0.6%	5,379	0.03
Financing and other transaction costs	(110,883)	(10.9)%	(97,619)	(0.63)	(972)	(0.1)%	1,723	0.01
Step-up depreciation and amortization	39,001	3.8%	39,001	0.25	32,656	3.4%	32,656	0.20
Deferred (gain)/loss on derivative instruments	(102)	—%	4,501	0.03	2,567	0.3%	10,162	0.06
Amortization of debt issuance costs	—	—%	1,823	0.01	—	—%	1,716	0.01
Deferred income tax and other tax related	—	—%	27,121	0.18	—	—%	1,971	0.01
Total adjustments	(55,590)	(5.5)%	(9,206)	(0.06)	39,677	4.2%	53,607	0.34
Adjusted (non-GAAP)	**$ 197,311**	**19.4%**	**$ 131,047**	**$ 0.85**	**$ 201,016**	**21.1%**	**$ 138,566**	**$ 0.87**

$ in thousands (except EPS amounts)

Total Sensata	Q3 YTD 2022 Operating Income	Q3 YTD 2022 Operating Margin	Q3 YTD 2022 Net Income	Q3 YTD 2022 EPS	Q3 YTD 2021 Operating Income	Q3 YTD 2021 Operating Margin	Q3 YTD 2021 Net Income	Q3 YTD 2021 EPS
Reported (GAAP)	**$ 517,774**	**17.2%**	**$ 197,535**	**$ 1.26**	**$ 483,548**	**16.8%**	**$ 251,608**	**$ 1.58**
Non-GAAP adjustments:								
Restructuring related and other	24,431	0.8%	24,310	0.15	15,689	0.5%	19,596	0.12
Financing and other transaction costs	(80,624)	(2.7)%	5,218	0.03	6,143	0.2%	35,795	0.22
Step-up depreciation and amortization	110,264	3.7%	110,264	0.70	96,036	3.3%	96,036	0.60
Deferred loss on derivative instruments	1,740	0.1%	12,971	0.08	7,002	0.2%	13,464	0.08
Amortization of debt issuance costs	—	—%	5,256	0.03	—	—%	5,142	0.03
Deferred income tax and other tax related	—	—%	28,455	0.18	—	—%	5,893	0.04
Total adjustments	55,811	1.9%	186,474	1.19	124,870	4.3%	175,926	1.10
Adjusted (non-GAAP)	**$ 573,585**	**19.0%**	**$ 384,009**	**$ 2.45**	**$ 608,418**	**21.1%**	**$ 427,534**	**$ 2.68**