

Sensata Third Quarter 2023 Earnings Presentation

October 31, 2023

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 Q3-2023

Financial performance

- **Revenue of $1,001M in Q3-23,** decline of (1.7%) YoY (decline of (0.7%) on a constant currency basis), in line with guidance
- Outgrowth to market of 460 bps LTM, 660 bps over the past three years
- **Adj. operating profit of $192M or 19.1%, decline of (2.9%) YoY** (increase of 3.7% to 20.3% on a constant currency basis)
- **ANI of $138M, increase of 5.5% YoY** (15.0% on a constant currency basis)
- **Adj. EPS of $0.91, increase of 7.1% YoY** (16.5% on a constant currency basis)
- Launched restructuring program to right-size our cost base and improve margin performance

Capital deployment strategy focusing on realizing shareholder returns

- Paid dividend of $0.12 per share to shareholders
- Repurchased $35M of Sensata's shares; reset share repurchase authorization to $500M
- ROIC now at 9.8%; net leverage reduced to 3.1x
- Continue to focus strategy on prioritizing Electrification

Sensata Technologies

Driving market leadership in nascent innovative applications

Gas Detection Sensors

$55M*

new business wins to date



- First A2L sensor to receive Underwriters Laboratories (UL) certification
- Revenue starting in Q4-23

Electromechanical Braking

$30M*

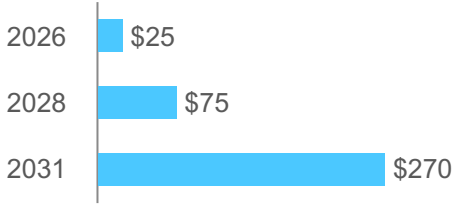
new business wins to date



- Second large win from additional leading brake system manufacturer supporting a leading BEV OEM
- Revenue starting in 2026

Estimated Serviceable Addressable Markets ($M)



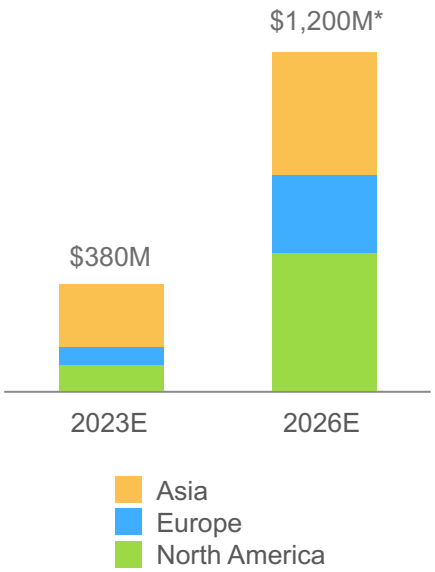


*Annual revenue at run-rate

Sensata Technologies

Sensata is winning with the leading electric vehicle OEMs

Expected Auto BEV+PHEV revenue by region



Deep relationships with fast growing BEV OEMs according to IHS

$1.4B in Electrification new business wins from 2020-2023YTD to launch 2024-2026



*Based on Aug 2023 IHS market estimates for BEV and PHEV

Sensata is winning in Electrification Infrastructure

Dynapower is on track to achieve its investment thesis

- +30% YoY revenue growth
- 1.2x YTD book to bill and improving



GENERAL DYNAMICS — Defense

plug — Hydrogen Separation

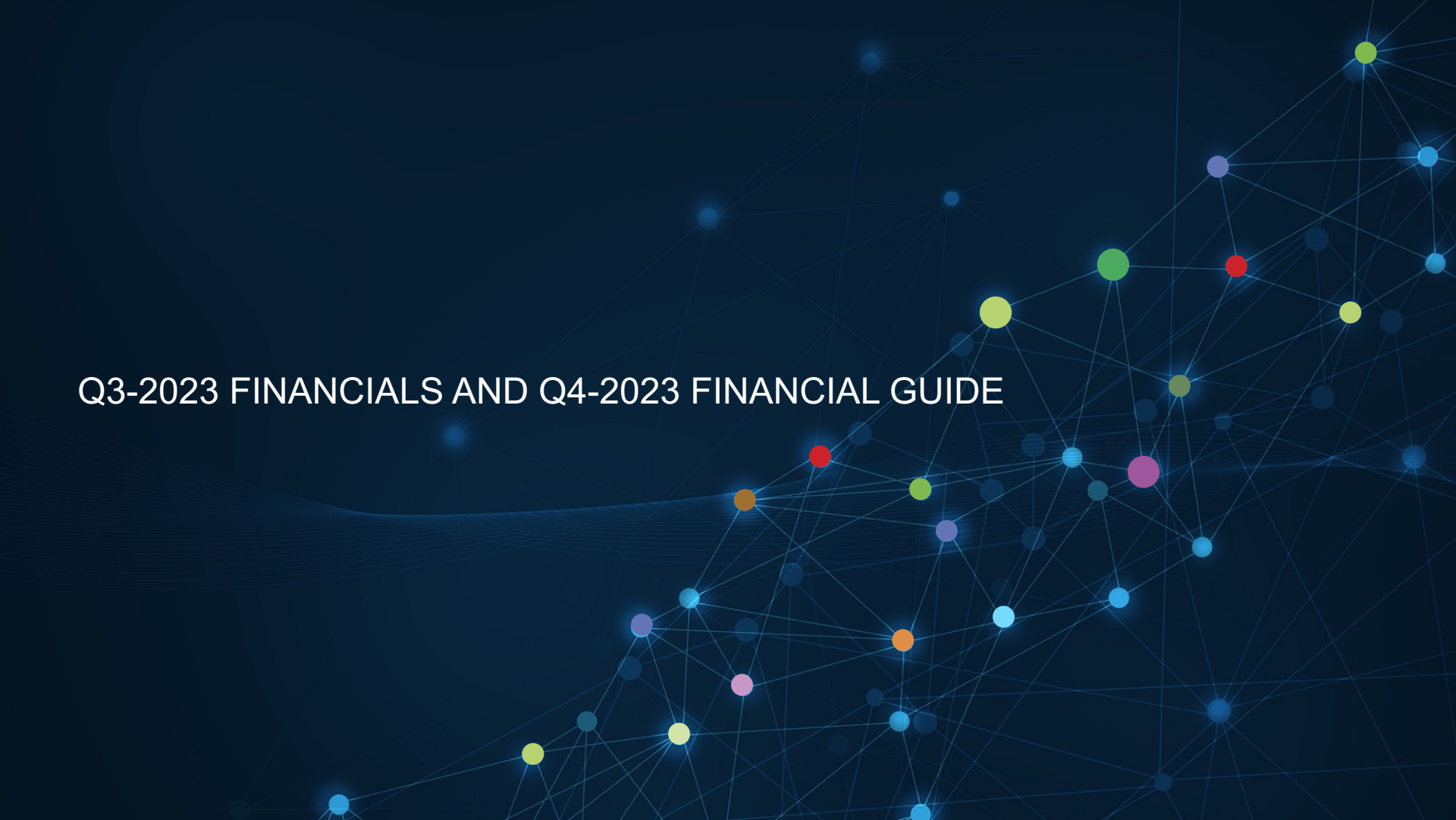
FREEPORT-McMoRan — Renewable Energy Materials

$1.4B in Electrification new business wins from 2020-2023YTD to launch 2024-2026



Sensata Technologies

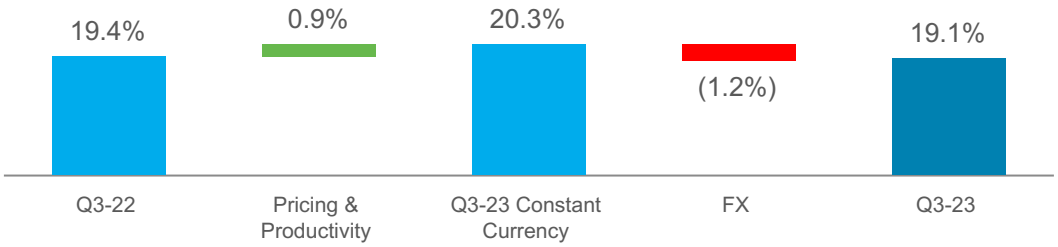
Q3-2023 FINANCIALS AND Q4-2023 FINANCIAL GUIDE



Q3-2023 Financial Summary

$ in millions, except EPS	Q3-2023	Q3-2022	YoY B/(W)
Revenue	$1,001.3	$1,018.3	(1.7%)
Adjusted Operating Income	$191.6	$197.3	(2.9%)
% Revenue	*19.1%*	*19.4%*	
Adjusted Net Income	$138.3	$131.0	5.5 %
% Revenue	*13.8%*	*12.9%*	
Adjusted EPS	$0.91	$0.85	7.1 %

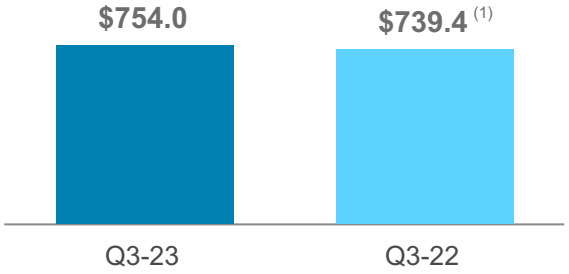
ADJUSTED OPERATING MARGIN WALK Q3-22 TO Q3-23



- Revenue decline YoY of (1.7%) composed of:
  - Organic revenue decreased (0.7%)
  - Foreign exchange decreased revenue by (1.0%)
- Adjusted operating income decreased (2.9%) YoY due to:
  - FX and revenue decline
  - Offset somewhat by productivity and favorable pricing
  - Adj. operating margin increased 90 bps YoY ex-FX
- ANI and Adj. EPS grew on de-leveraging and share repurchases

Q3-2023: Performance Sensing

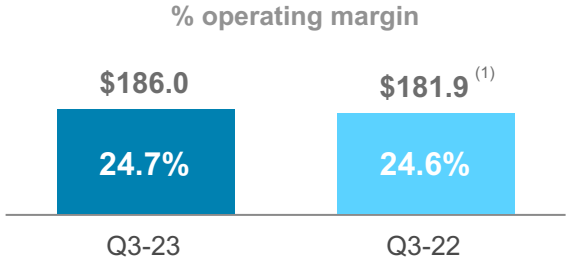
Revenue



Q3-23 YoY Revenue Growth	Reported	Organic
Automotive	4.5%	5.9%
Heavy Vehicle, Off-Road	(4.2%)	(3.8%)
Performance Sensing	**2.0%**	**3.1%**

Foreign exchange (1.1%) negative impact

Segment Operating Income

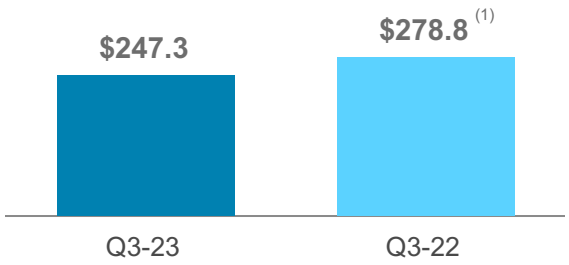


- Automotive revenue increase reflects content growth and pricing, partially offset by unfavorable revenue mix and FX
- HVOR organic revenue decline reflects market contraction
- Segment operating margin increased due to higher volumes, pricing, and productivity offset by the dilutive impact of FX
- Constant currency adjusted operating margin of 25.8%

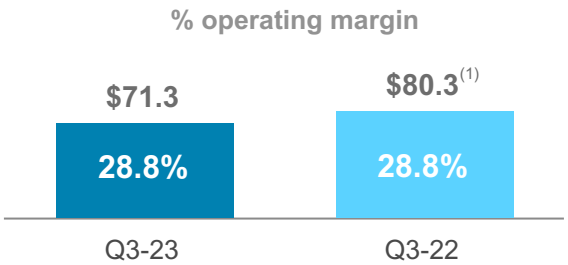
(1) Effective April 1, 2023, we reorganized our reportable segments to move material handling products from Performance Sensing to Sensing Solutions to align with new management reporting. Prior year amounts have been recast.

Q3-2023: Sensing Solutions

Revenue



Segment Operating Income



Q3-23 YoY Revenue Growth	Reported	Organic
Industrial & Other	(17.6%)	(17.1%)
Aerospace	28.7%	28.7%
Sensing Solutions	**(11.3%)**	**(10.9%)**

Foreign exchange (0.4%) negative impact

- Industrial revenue decrease reflects weakness in HVAC, appliance, IT/Telecom markets, industry de-stocking, and unfavorable FX
- Aerospace revenue increase reflects growth in markets, pricing, and content
- Segment operating margin reflects the decline in industrial revenue and unfavorable FX, offset by Aerospace growth
- Constant currency adjusted operating margin of 29.0%

(1) Effective April 1, 2023, we reorganized our reportable segments to move material handling products from Performance Sensing to Sensing Solutions to align with new management reporting. Prior year amounts have been recast.

Sensata Technologies

Corporate and Other Operating Expenses

$ in millions	Q3-2023	Q2-2023	Q3-2022	YoY B/(W)
Corporate and Other	$75.1	$81.5	$76.4	1.7 %
% Revenue	*7.5%*	*7.7%*	*7.5%*	
Adj. Corporate and Other	$64.2	$68.1	$63.3	(1.5%)
% Revenue	*6.4%*	*6.4%*	*6.2%*	

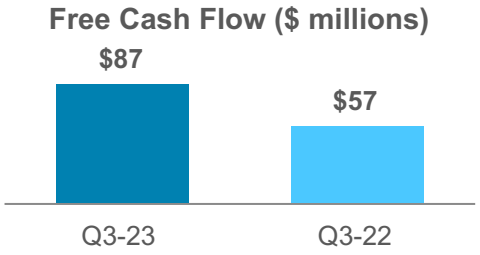
- Adj. Corporate and Other increase YoY primarily due to higher employee costs

Sensata launched a restructuring program during Q3-23

- $21M charge in Q3-23
- Narrowing our investment areas to focus on Electrification
- $4-6M in expected savings in Q4-23
- $40-50M in expected savings expected in 2024
- Actions enabling us to reach estimated 20-21% adj. Operating Margins in 2024

Sensata Technologies

Capital deployment strategy, including repayment of debt, is improving ROIC (now 9.8%, up 50 bps from FYE 2022)



$0.12

Quarterly Dividend Payment

on November 22, 2023 for shareholders of record as of November 8, 2023

3.1x

net leverage ratio

as of September 30, 2023;
<2.0x expected by 2026 FYE
Intend to repay $400M 2024 Notes from cash on hand

$401M*

LTM free cash flow, 70% conversion; **targeting 75-80% conversion** rate over time

$52M

Q3-23 Capital Expenditures; **$170M–$180M** expected for 2023

$35M

Q3-23 Share Repurchase

Reset share repurchase authorization to $500M

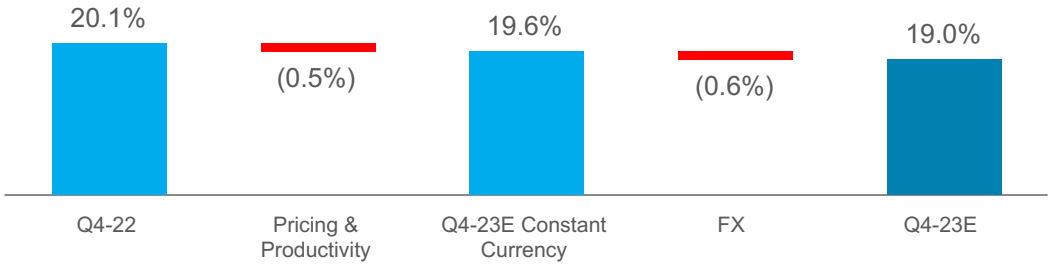
*LTM free cash flow lower than target due to increases in receivables, inventory to offset supply chain issues, and acquisition-related compensation payments.

Sensata Technologies

Updated Q4-23 Financial Guidance

$ in millions, except EPS	Q4-23 GUIDANCE	Q4-22	B/(W)
Revenue *organic*	$950 – $1,000	$1,014.7	(6%) - (1%) *(5%) - 0%*
Adj. Op Income	$176 – $194	$204.3	(14%) - (5%)
Adj. Net Income	$120 – $136	$146.5	(18%) - (7%)
Adj. EPS	$0.79 – $0.89	$0.96	(18%) - (7%)

ADJUSTED OPERATING MARGIN WALK Q4-22 TO Q4-23



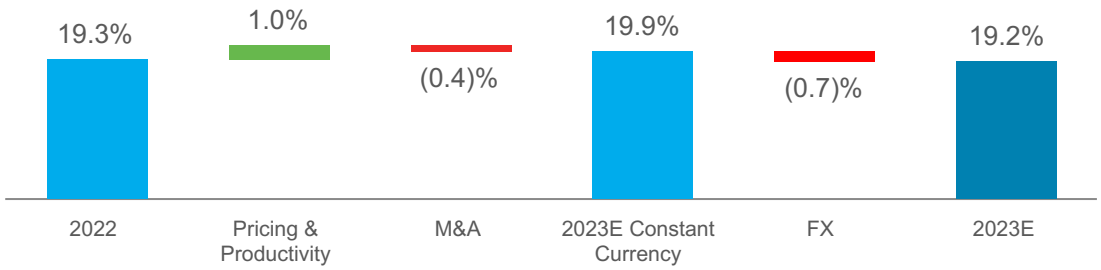
- Guide updated to reflect ($35-40M) revenue decrease and (60bps) margin decrease related to expected UAW strike impacts
- Q4-23 ST end-market growth expected to be ~(7%) YoY
  - Auto: ~(10%)
  - HVOR: ~(2%)
  - Industrial: ~(9%)
  - Aerospace: ~16%
- FX expected to decrease Q4 revenue by ~($11M) and Adj. EPS by ~($0.09)
- Fill rate of 91% at the mid-point

Sensata Technologies

Implied Full Year 2023 Financial Guidance

$ in millions, except EPS	2023 GUIDANCE	2022	B/(W)
Revenue *organic*	$4,012 – $4,062	$4,029.3	(0%) - 1% *1% - 2%*
Adj. Op Income *organic*	$766 – $784	$777.9	(2%) - 1% *5% - 7%*
Adj. Net Income	$548 – $564	$530.5	3% - 6%
Adj. EPS	$3.59 – $3.69	$3.40	6% - 9%

ADJUSTED OPERATING MARGIN WALK 2022 TO 2023



- Revenue pressured by decline in Industrial market, FX, and UAW strike in 2023
- Organic adj. Op Margin growing faster than revenue; improvement of 100 bps and 60 bps ex-FX YoY
- Adj. net Income and Adj. EPS growing due to benefit of capital deployment strategy of reducing debt and repurchasing shares
- FX expected to decrease full year revenue by ~($58M) and decrease Adj. EPS by ~($0.26)

Sensata Technologies

Key messages from Sensata's recent Investor Event

$2B Electrification business and continued strategic focus drives confidence in net revenue growth and margin expansion

Sensata has a long history of innovation in the face of rapidly changing and new customer requirements

We identify market trends and demands and respond with superior product development

Sensata's core safe & efficient sensing business remains vital, innovative, and very profitable

This helps fund our development efforts in new emerging areas

We are facing an unprecedented opportunity in Electrification

Through investments in new products and a record amount of new business wins (over $1.5B since 2020), we expect to accelerate revenue growth in the next three years

Improving financial returns

Last three years of investment cycle should drive double-digit growth in earnings, improve free cash flows and bring returns on invested capital to the low teens by 2026

Sensata Technologies

APPENDIX A: OTHER FINANCIAL INFORMATION



Q3-2023 GAAP Results

$ and shares outstanding in millions, except EPS	Q3-2023	Q3-2022	B/(W)
Revenue	$1,001.3	$1,018.3	(1.7%)
Gross Profit	$313.3	$323.7	(3.2%)
(% of revenue)	*31.3%*	*31.8%*	
R&D	$45.4	$47.9	5.2 %
(% of revenue)	*4.5%*	*4.7%*	
SG&A	$85.7	$90.0	4.8 %
(% of revenue)	*8.6%*	*8.8%*	
Amortization of Intangibles	$40.0	$40.3	0.9 %
(% of revenue)	*4.0%*	*4.0%*	
Restructuring and Other	$26.0	($107.4)	NM
(% of revenue)	*2.6%*	*(10.6%)*	
Operating Income	$116.3	$252.9	(54.0%)
(% of revenue)	*11.6%*	*24.8%*	
Tax Rate	22.1%	24.9 %	280 bps
Net Income	$62.8	$140.3	(55.2%)
(% of revenue)	*6.3%*	*13.8%*	
Diluted EPS	$0.41	$0.91	(54.9%)
Diluted Shares Outstanding	152.4	154.9	2.6

Q3-2023 Non-GAAP Results

$ and shares outstanding in millions, except EPS	Q3-2023	Q3-2022	B/(W)
Revenue	$1,001.3	$1,018.3	(1.7%)
Adj. Gross Profit	$320.6	$332.4	(3.6%)
(% of revenue)	*32.0%*	*32.6%*	
R&D	$45.4	$47.9	5.2 %
(% of revenue)	*4.5%*	*4.7%*	
Adj. SG&A	$81.9	$85.6	4.2 %
(% of revenue)	*8.2%*	*8.4%*	
Adj. Operating Income	$191.6	$197.3	(2.9%)
(% of revenue)	*19.1%*	*19.4%*	
Adj Tax Rate [1]	12.8%	11.6%	(120 bps)
Adj. Net Income	$138.3	$131.0	5.5 %
(% of revenue)	*13.8%*	*12.9%*	
Adj. EPS	$0.91	$0.85	7.1 %
Diluted Shares Outstanding	152.4	154.9	2.6

1 – Adjusted tax rate expressed as a % of adjusted profit before tax. Adjusted tax rate expressed as a % of adjusted EBIT was 10.5% and 9.0% in Q3-2023 and Q3-2022, respectively.

Sensata Technologies

Q3-2023 Cash Flow Statement

$ in millions	Q3-2023	Q3-2022	B/(W)
Net Income	$62.8	$140.3	(55.2%)
Depreciation & Amortization	$73.3	$72.0	1.8 %
Changes in Working Capital	$8.3	($23.1)	(135.8%)
Other	($5.4)	($95.3)	(94.3%)
Operating Cash Flow	$138.9	$93.8	48.0 %
Capital Expenditures	($51.8)	($36.4)	(42.4%)
Free Cash Flow	$87.2	$57.5	51.6 %

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

Sensata Technologies

Balance Sheet

$ in millions	SEP 30, 2023	DEC 31, 2022
Total Assets	$ 8,388.3	$ 8,756.2
Working Capital	$ 1,620.5	$ 1,596.1
Intangibles, Net & Other Long-Term Assets	$ 5,895.2	$ 5,981.2

$ in millions	SEP 30, 2023	DEC 31, 2022
Cash & Equivalents	$ 889.7	$ 1,225.5
Current Debt	$ 1.9	$ 256.5
Net Cash	$ 887.8	$ 969.0

Sensata Technologies

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

a. Restructuring related and other - includes net charges 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, losses or gains related to the divestiture of a business, costs incurred, including for legal, accounting, and other professional services, that are directly related to an acquisition, divestiture, or equity financing transaction, mark-to-market losses or gains on our equity investments, expenses related to compensation arrangements entered into concurrent with the closing of an acquisition, and gains related to changes in the fair value of acquisition-related contingent consideration amounts.

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

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 benefits and withholding tax on repatriation of foreign earnings.

f. Amortization of debt issuance costs - represents interest expense related to the amortization of deferred financing costs as well as debt discounts, net of premiums.

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).

Adjusted EPS – is calculated by dividing ANI by the number of diluted weighted-average ordinary shares outstanding in the period.

Adjusted Operating Income – is defined as 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 loss or gain on derivative instruments, and (4) step-up depreciation and amortization. Refer to definition of ANI for additional information regarding the nature of these non-GAAP adjustments.

Adjusted Operating Margin – is calculated by dividing adjusted operating income (or loss) by net revenue.

We believe that ANI, Adjusted EPS, Adjusted Operating Income, and Adjusted Operating Margin are useful to investors and management in understanding our ongoing operations and in analysis of ongoing operating trends.

Non-GAAP Measures – continued

Free Cash Flow – is defined as 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.

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 are determined by stating revenues and expenses at prior period foreign currency exchange rates and excludes the impact of foreign currency exchange rates on all hedges and, as applicable, net monetary assets. 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.

Adjusted EBITDA – is defined as 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, and (3) deferred gain or loss on derivative instruments. Refer to definition of ANI for additional information regarding the nature of these non-GAAP adjustments.

Net Debt – is defined as 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 – is defined as net debt divided by last twelve months (LTM) adjusted EBITDA. We believe that 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.

Sensata Technologies

Adjusted EBITDA

In thousands	Period					
Total Sensata	**LTM**	**3Q 2023**	**2Q 2023**	**1Q 2023**	**4Q 2022**	**3Q 2022**
Net income	**$ 311,479**	**$ 62,801**	**$ 49,111**	**$ 86,417**	**$ 113,150**	**$ 140,253**
Interest expense, net	158,780	36,908	38,105	40,091	43,676	44,856
Provision for income taxes	73,455	17,868	19,873	23,726	11,988	46,421
Depreciation expense	129,499	33,317	32,612	30,948	32,622	31,680
Amortization of intangible assets	174,609	39,970	54,563	40,774	39,302	40,313
Earnings before interest, taxes, depreciation, and amortization ("EBITDA")	847,822	190,864	194,264	221,956	240,738	303,523
Non-GAAP adjustments:						
Restructuring related and other	78,708	31,549	31,078	2,941	13,140	16,394
Financing and other transaction costs	19,845	6,038	4,021	4,733	5,053	(101,380)
Deferred (gain)/loss on derivative instruments	(13,480)	(187)	5,322	(4,149)	(14,466)	5,671
Adjusted EBITDA	**$ 932,895**	**$ 228,264**	**$ 234,685**	**$ 225,481**	**$ 244,465**	**$ 224,208**

Organic Revenue Growth

	Q3-2023				
	Reported % Change (GAAP)	Less: FX Impact	Constant Currency % Change (non-GAAP)	Less: Acquisition & Divestitures, net	Organic Growth (non-GAAP)
Performance Sensing	**2.0%**	(1.1%)	**3.1%**	—%	**3.1%**
Sensing Solutions	**(11.3%)**	(0.4%)	**(10.9%)**	—%	**(10.9%)**
Sensata Total	**(1.7%)**	(1.0%)	**(0.7%)**	—%	**(0.7%)**

	Q3 YTD 2023				
	Reported % Change (GAAP)	Less: FX Impact	Constant Currency % Change (non-GAAP)	Less: Acquisition & Divestitures, net	Organic Growth (non-GAAP)
Performance Sensing	**3.5%**	(1.8%)	**5.3%**	0.1%	**5.2%**
Sensing Solutions	**(3.4%)**	(1.0%)	**(2.4%)**	2.3%	**(4.7%)**
Sensata Total	**1.6%**	(1.5%)	**3.1%**	0.7%	**2.4%**

Sensata Technologies

Free Cash Flow

$ in thousands	Q3			Q3 YTD		
Total Sensata	**2023**	**2022**	**Change**	**2023**	**2022**	**Change**
Net cash provided by operating activities	**$ 138,935**	**$ 93,845**	**48.0%**	**$ 351,577**	**$ 235,733**	**49.1%**
Additions to property, plant and equipment and capitalized software	(51,780)	(36,355)	(42.4%)	(136,224)	(110,424)	(23.4%)
Free cash flow	**$ 87,155**	**$ 57,490**	**51.6%**	**$ 215,353**	**$ 125,309**	**71.9%**

Sensata Technologies

Adjusted Taxes and Adjusted Tax Rate

$ in thousands	Q3		Q3 YTD	
Total Sensata	**2023**	**2022**	**2023**	**2022**
Provision for income taxes	**$ 17,868**	**$ 46,421**	**$ 61,467**	**$ 74,029**
Non-GAAP adjustments:				
Deferred income tax and other tax expense/(benefit)	(1,122)	27,121	12,102	28,455
Current tax effect of non-GAAP adjustments	(1,324)	2,164	(89)	(1,168)
Adjusted taxes	**$ 20,314**	**$ 17,136**	**$ 49,454**	**$ 46,742**
Adjusted income before taxes	$ 158,582	$ 148,183	$ 477,530	$ 430,751
Adjusted tax rate	**12.8 %**	**11.6 %**	**10.4 %**	**10.9 %**

Sensata Technologies

Net Debt and Net Leverage Ratio

$ in thousands	As of				
Total Sensata	**9/30/2023**	**6/30/2023**	**3/31/2023**	**12/31/2022**	**9/30/2022**
Current portion of long-term debt, finance lease and other financing obligations	$ 1,888	$ 1,809	$ 198,696	$ 256,471	$ 6,536
Finance lease and other financing obligations, less current portion	23,456	23,771	24,471	24,742	25,180
Long-term debt, net	3,771,810	3,770,507	3,768,627	3,958,928	4,208,670
Total debt, finance lease and other financing obligations	**3,797,154**	**3,796,087**	**3,991,794**	**4,240,141**	**4,240,386**
Less: discount, net of premium	(1,994)	(2,355)	(2,831)	(3,360)	(3,740)
Less: deferred financing costs	(26,196)	(27,138)	(28,542)	(29,916)	(30,952)
Total gross indebtedness	3,825,344	3,825,580	4,023,167	4,273,417	4,275,078
Less: cash and cash equivalents	889,703	857,312	1,034,134	1,225,518	1,103,916
Net debt	**$ 2,935,641**	**$ 2,968,268**	**$ 2,989,033**	**$ 3,047,899**	**$ 3,171,162**
Adjusted EBITDA (LTM)	$ 932,895	$ 928,839	$ 914,514	$ 903,886	$ 888,108
Net leverage ratio	**3.1**	**3.2**	**3.3**	**3.4**	**3.6**

Sensata Technologies

Adjusted Corporate and Other Expenses

In thousands	Q3		Q3 YTD	
Total Sensata	**2023**	**2022**	**2023**	**2022**
Corporate and other expenses	**$ (75,117)**	**$ (76,409)**	**$ (219,022)**	**$ (228,894)**
Non-GAAP adjustments:				
Restructuring related and other	9,234	7,964	20,915	13,125
Financing and other transaction costs	1,973	4,988	5,566	11,493
Step-up depreciation and amortization	391	298	700	895
Deferred (gain)/loss on derivative instruments	(663)	(102)	(3,860)	1,740
Total adjustments	10,935	13,148	23,321	27,253
Adjusted corporate and other expenses	**$ (64,182)**	**$ (63,261)**	**$ (195,701)**	**$ (201,641)**

Other GAAP to non-GAAP Reconciliations

$ in thousands (except EPS amounts)	Q3-2023				Q3-2022			
Total Sensata	**Operating Income**	**Operating Margin**	**Net Income**	**EPS**	**Operating Income**	**Operating Margin**	**Net Income**	**EPS**
Reported (GAAP)	**$ 116,260**	**11.6%**	**$ 62,801**	**$ 0.41**	**$ 252,901**	**24.8%**	**$ 140,253**	**$ 0.91**
Non-GAAP adjustments:								
Restructuring related and other	31,549	3.2%	30,186	0.20	16,394	1.6%	15,967	0.10
Financing and other transaction costs	5,662	0.6%	6,038	0.04	(110,883)	(10.9%)	(97,619)	(0.63)
Step-up depreciation and amortization	38,825	3.9%	38,825	0.25	39,001	3.8%	39,001	0.25
Deferred (gain)/loss on derivative instruments	(663)	(0.1%)	(148)	0.00	(102)	0.0%	4,501	0.03
Amortization of debt issuance costs	—	—%	1,688	0.01	—	—%	1,823	0.01
Deferred income tax and other tax related	—	—%	(1,122)	(0.01)	—	—%	27,121	0.18
Total adjustments	75,373	7.5%	75,467	0.50	(55,590)	(5.5%)	(9,206)	(0.06)
Adjusted (non-GAAP)	**$ 191,633**	**19.1%**	**$ 138,268**	**$ 0.91**	**$ 197,311**	**19.4%**	**$ 131,047**	**$ 0.85**

$ in thousands (except EPS amounts)	Q3 YTD 2023				Q3 YTD 2022			
Total Sensata	**Operating Income**	**Operating Margin**	**Net Income**	**EPS**	**Operating Income**	**Operating Margin**	**Net Income**	**EPS**
Reported (GAAP)	**$ 383,115**	**12.5%**	**$ 198,329**	**$ 1.30**	**$ 517,774**	**17.2%**	**$ 197,535**	**$ 1.26**
Non-GAAP adjustments:								
Restructuring related and other	65,568	2.1%	62,901	0.41	24,431	0.8%	24,310	0.15
Financing and other transaction costs	14,175	0.5%	17,568	0.11	(80,624)	(2.7%)	5,218	0.03
Step-up depreciation and amortization	131,281	4.3%	131,281	0.86	110,264	3.7%	110,264	0.70
Deferred (gain)/loss on derivative instruments	(3,860)	(0.1%)	788	0.01	1,740	0.1%	12,971	0.08
Amortization of debt issuance costs	—	—%	5,107	0.03	—	—%	5,256	0.03
Deferred income tax and other tax related	—	—%	12,102	0.08	—	—%	28,455	0.18
Total adjustments	207,164	6.8%	229,747	1.50	55,811	1.9%	186,474	1.19
Adjusted (non-GAAP)	**$ 590,279**	**19.3%**	**$ 428,076**	**$ 2.80**	**$ 573,585**	**19.0%**	**$ 384,009**	**$ 2.45**

Sensata Technologies