

Measurement Specialties Inc  
Form DFAN14A  
June 19, 2014

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

MEASUREMENT SPECIALTIES, INC.  
(Name of Registrant as Specified In Its Charter)

TE CONNECTIVITY LTD.  
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
  - (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date Filed:



## Edgar Filing: Measurement Specialties Inc - Form DFAN14A

The attached transcript is from a telephonic investor presentation held on June 18, 2014. The telephonic investor presentation was open to the public and the press release and slide deck related to the presentation were previously filed.

This filing also consists of the following posts which were made by TE Connectivity Ltd. to its Facebook, LinkedIn, Twitter and Google+ pages on the evening of June 18, 2014:

### Facebook

TE Connectivity to Acquire Measurement Specialties - Establishes TE as a Leader in the Sensor Market. <http://bit.ly/1nhH9ZP>

### LinkedIn

TE Connectivity to Acquire Measurement Specialties - Establishes TE as a Leader in the Sensor Market. <http://bit.ly/1nheELP>

### Twitter

TE Connectivity to Acquire Measurement Specialties - Establishes TE as a Leader in the Sensor Market. <http://bit.ly/1nheELP>

### Google+

TE Connectivity to Acquire Measurement Specialties - Establishes TE as a Leader in the Sensor Market. <http://bit.ly/1nheELP>

## **ADDITIONAL INFORMATION AND WHERE TO FIND IT**

This communication is for informational purposes only and does not constitute an offer to purchase or a solicitation of any proxy, vote or approval. In connection with the proposed merger, Measurement Specialties, Inc. ( MEAS ) intends to file a proxy statement and related documents with the U.S. Securities and Exchange Commission ( SEC ). The definitive proxy statement will be mailed to MEAS shareholders. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT AND ANY OTHER RELEVANT MATERIALS WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of the proxy statement and other relevant documents (in each case when available) filed by MEAS and TE Connectivity Ltd. with the SEC at the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). Copies of the documents filed by MEAS with the SEC will be available free of charge at the website maintained by MEAS at [www.meas-spec.com](http://www.meas-spec.com). Copies of the documents filed by TE

## Edgar Filing: Measurement Specialties Inc - Form DFAN14A

Connectivity Ltd. with the SEC will be available free of charge at the website maintained by TE Connectivity Ltd. at [www.te.com](http://www.te.com). MEAS and its directors, executive officers and certain other employees may be deemed to be participants in the solicitation of proxies from MEAS shareholders with respect to the proposed merger. Information about MEAS directors and executive officers and their ownership of MEAS common stock is set forth in the proxy statement for MEAS 2013 Annual Meeting of Stockholders, which was filed with the SEC on July 29, 2013, and MEAS Annual Report on Form 10-K for the fiscal year ended March 31, 2014, which was filed with the SEC on June 3, 2014. Additional information regarding persons who may be deemed to be participants in the solicitation of proxies in respect of the proposed merger will be contained in the proxy statement to be filed by MEAS with the SEC.

### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS FOR PURPOSES OF THE SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995**

This communication contains certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to risks, uncertainty and changes in circumstances, which may cause actual results, performance, financial condition or achievements to differ materially from anticipated results, performance, financial condition or achievements. All statements contained herein that are not clearly historical in nature are forward-looking and the words anticipate, believe, expect, estimate, plan, and similar expressions are generally intended to identify forward-looking statements. We have no intention and are under no obligation to update or alter (and expressly disclaim any such intention or obligation to do so) our forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by law. The forward-looking statements in this communication include statements addressing our future financial condition and operating results; our ability to fund and consummate the transaction, including the entry into financing arrangements and the receipt of regulatory approvals; and our ability to realize projected financial impacts of and to integrate the acquisition. Examples of factors that could cause actual results to differ materially from those described in the forward-looking statements include, among others, business, economic, competitive and regulatory risks, such as conditions affecting demand for products, particularly in the automotive industry and the telecommunications networks and consumer devices industries; competition and pricing pressure; fluctuations in foreign currency exchange rates and commodity prices; natural disasters and political, economic and military instability in countries in which we operate; developments in the credit markets; future goodwill impairment; compliance with current and future environmental and other laws and regulations; the possible effects on us of changes in tax laws, tax treaties and other legislation; the risk that the transaction may not be consummated; the risk that a regulatory approval that may be required for the transaction is not obtained or is obtained subject to conditions that are not anticipated; the risk that Measurement Specialties' operations will not be successfully integrated into ours; and the risk that revenue opportunities, cost savings and other anticipated synergies from the transaction may not be fully realized or may take longer to realize than expected. More detailed information about these and other factors is set forth in TE Connectivity Ltd.'s Annual Report on Form 10-K for the fiscal year ended Sept. 27, 2013 as well as in our Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and other reports filed by us with the SEC.

---

18-Jun-2014

**TE Connectivity Ltd.** (TEL)

Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

1-877-FACTSET [www.callstreet.com](http://www.callstreet.com)

**Total Pages: 20**  
Copyright © 2001-2014 FactSet CallStreet, LLC

---

**TE Connectivity Ltd. (TEL)**

Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

Corrected Transcript

18-Jun-2014

**CORPORATE PARTICIPANTS**

Sujal Shah

*Vice President-Investor Relations, TE Connectivity Ltd.*

Steven T. Merkt

*President-Transportation Solutions, TE Connectivity Ltd.*

Thomas J. Lynch

*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

Robert W. Hau

*Chief Financial Officer & Executive Vice President, TE Connectivity Ltd.*

**OTHER PARTICIPANTS**

Matt J. Sheerin

*Analyst, Stifel, Nicolaus & Co., Inc.*

Steven B. Fox

*Analyst, Cross Research LLC*

Shawn M. Harrison

*Analyst, Longbow Research LLC*

Wamsi Mohan

*Analyst, Bank of America Merrill Lynch*

Jim Suva

*Analyst, Citigroup Global Markets Inc. (Broker)*

Amitabh Passi

*Analyst, UBS Securities LLC*

Amit Daryanani

*Analyst, RBC Capital Markets LLC*

Sherri A. Scribner

*Analyst, Deutsche Bank Securities, Inc.*

William Stein

*Analyst, SunTrust Robinson Humphrey*

**MANAGEMENT DISCUSSION SECTION**

**Operator:** Ladies and gentlemen, thank you for standing by and welcome to the TE Connectivity Investor Relations Conference Call. At this time, all participants are in a listen-only mode. Later we will conduct a question-and-answer session and instructions will be given at that time. As a reminder, this conference is being recorded.

Now, I'd like to turn the conference over to your host, Sujal Shah, Vice President of Investor Relations at TE Connectivity. Please go ahead.

Sujal Shah

*Vice President-Investor Relations, TE Connectivity Ltd.*

Good afternoon and thank you for joining us. This conference call is being held to discuss our announcement of the proposed acquisition of Measurement Specialties. With me today is our CEO, Tom Lynch, our CFO, Bob Hau, and the President of our Transportation business, Steve Merkt.

## Edgar Filing: Measurement Specialties Inc - Form DFAN14A

The purpose of this call is to discuss the acquisition of Measurement Specialties and answer questions about this transaction. We will not be providing any updates or answering any questions on current quarter results or trends on today's call. This communication does not constitute an offer to sell or solicitation of an offer to buy any security or solicitation of any vote or approval.

2

1-877-FACTSET [www.callstreet.com](http://www.callstreet.com)

Copyright © 2001-2014 FactSet CallStreet, LLC

---

**TE Connectivity Ltd. (TEL)**

Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

Corrected Transcript

18-Jun-2014

In connection with the announced transaction, Measurement Specialties will file with the SEC a proxy statement regarding the proposed transaction. After the proxy statement has been declared effective by the SEC, the definitive proxy statement will be sent to Measurement Specialties' shareholders. You should review materials filed with the SEC carefully as they will include important information regarding the proposed transaction and the solicitation of proxies in connection with the proposed transaction.

During the course of this call, we will be providing certain forward-looking information and we ask you to review the forward-looking cautionary statements included in today's press release. In addition, we will use certain non-GAAP measures in our discussion and we ask you to review the sections of our press release in the accompanying slide presentation that addresses the use of these terms. The press release and slide presentation can be found on the Investor Relations portion of our website at [te.com](http://te.com).

Finally, I would like to remind participants on the Q&A portion of today's call to limit themselves to one follow-up question to make sure we are able to cover all questions during the allotted time.

Now, let me turn the call over to our CEO, Tom Lynch.

Thomas J. Lynch

*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

Thanks, Sujal, and good afternoon, everyone. Thank you for joining us on relatively short notice. We are very excited to discuss our offer to acquire Measurement Specialties and continue to drive our expansion into the attractive, high-growth \$80 billion sensor market.

Please turn to slide four. This acquisition is a very important part of our strategy to build a leading sensor business. The combination of TE and Measurement Specialties creates an unrivaled leader in connector and sensor capability. Once the transaction is complete, TE will have a broad portfolio of sensors to go along with our leading portfolio of connectors. TE's existing scale coupled with Measurement Specialties' product range will enable the combined companies to accelerate sensor growth as we reach many more customers together.

Please turn to slide five. TE is the worldwide leading provider of connectivity, with revenue of over \$13 billion in our last fiscal year, fiscal year 2013. If data, power, or signal moves through it, TE connects it. Our strategy is consistently focused on building the broadest range of connectivity solutions for our customers, with special emphasis on harsh environment applications that leverage our extensive engineering and manufacturing capabilities. Our customers, big and small, value partners like TE to bring them leading technologies to enable their products to be increasingly safe, green, and connected.

Several years ago, we decided to enter the sensor market as it has many of the characteristics of our connectivity business. We have built this into a \$200 million-plus business, and it became clear that sensors are a major growth opportunity for TE. The sensor industry is fragmented and



## Edgar Filing: Measurement Specialties Inc - Form DFAN14A

has few scale players. With the acquisition of Measurement Specialties, we expect to be a leading sensor company growing faster than the market and providing our customers with the broadest range of connectivity and sensor solutions.

We think this is a great position to have in the Internet of Things world. With the Measurement Specialties acquisition, if data, power, or signal moves through it, TE connects and senses it, a tremendous opportunity.

Please turn to slide six and I'll discuss the strategic rationale for the acquisition. This establishes TE as a leader in the attractive sensor market. The combination of TE sensor business with Measurement Specialties' leading range of sensors and sensor systems establishes TE as one of the largest sensor companies in the world. The sensor

3

1-877-FACTSET [www.callstreet.com](http://www.callstreet.com)

Copyright © 2001-2014 FactSet CallStreet, LLC

---

**TE Connectivity Ltd. (TEL)**

Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

Corrected Transcript

18-Jun-2014

market is fragmented, large and a high-growth market, and this acquisition increases TE's addressable market by nearly \$40 billion. We believe TE's scale will be unique in this market and a tremendous advantage for our customers.

Two, this enables accelerated sales and profit growth for our company. Our scale coupled with Measurement Specialties' broad sensor product range is expected to create double-digit growth in TE's sensor business. TE's deep OEM relationships, our unparalleled go-to-market resources, our engineering strengths, our leadership in harsh environment applications, and our global footprint are all major levers we will use to drive this accelerated growth. We also expect to achieve significant cost and tax synergies and generate attractive financial returns for our shareholders with this transaction.

Three, the acquisition increases TE content at our customers. The combination of Measurement Specialties with TE creates the leading provider of highly engineered connectivity and sensor solutions. This combination will enable us to provide a broader range of solutions for our customers and increase our content per application. Our combined companies will have almost 500 engineers dedicated to sensor product development. This is up from our approximately 100 today. This is very important for our customers.

We also believe that the acquisition uniquely positions us to provide highly engineered integrated connector and sensor solutions for future generations of products. This combined portfolio of connectors, antennas, and sensors gives us the ability to sense, communicate, and connect power, data, and signals. These are the key building blocks of the Internet of Things.

Please turn to slide seven and I'll cover the sensors market in a little more detail. Connectors and sensors are driven by similar trends in most industries and have high value-to-cost ratios and highly engineered solutions. Both of these product ranges are located deep in the architecture of our customers' end product. The sensor market is very large and even more fragmented than the connector market. In sensors, there are very few large incumbents and no broad-based sensor suppliers the size and scale of TE. We are really excited about the opportunity this presents us. We have been studying the market for several years and believe Measurement Specialties is the best fit for TE.

Please turn to slide eight. We believe that the power of TE plus Measurement Specialties will bring key benefits to our customers. TE has 5,000 customer-facing employees today, giving us unparalleled customer access and strategic partnerships across our served markets. Bringing Measurement Specialties' broad sensor portfolio into the scale of TE will open up many more opportunities at both existing and new customers.

Now, I'm going to turn it over to Steve Merkt, who's our President of the Transportation Solutions segment. Steve will have overall responsibility for TE sensor business and has come to know Measurement Specialties very well over the last two years. Steve also has been with TE for 25 years.

**Steven T. Merkt**

*President-Transportation Solutions, TE Connectivity Ltd.*

Thank you, Tom. Please turn to slide nine. Measurement Specialties is a very exciting addition to the TE team. Through a decade long process, Frank Guidone, the Measurement Specialties CEO, and his team have strategically built the business that is unique in the industry. They have a broad portfolio of products and technologies that serve a wide range of end markets. Even more impressive than the portfolio is the team behind these technologies.

Measurement Specialties has a proven track record of expanding both revenue and profitability and they have been able to grow faster than the market. Their CAGR over the last five years is 26% which has been driven by a

4

1-877-FACTSET [www.callstreet.com](http://www.callstreet.com)

Copyright © 2001-2014 FactSet CallStreet, LLC

---

**TE Connectivity Ltd. (TEL)**

Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

Corrected Transcript

18-Jun-2014

combination of acquisitions and organic growth ranging from 8% to 12% per year. The combination of Measurement Specialties' broad technology portfolio and TE's market-leading customer access opens a wide range of potential applications across multiple industries.

The combination provides nearly \$40 billion of new expansion opportunities across many of the same customers we currently serve in our market-leading connectivity business. Slide 10 and 11 illustrates the power of this combination.

Slide 10 shows our current position in the connector and sensor businesses. The orange bars indicate the markets that we currently have technology to serve. Slide 11 illustrates the combination of TE and Measurement Specialties. The blue bars represent markets for which Measurement Specialties has products and TE has strong go-to-market capability. The combination of the two opens up approximately \$40 billion of the \$80 billion sensor market and establishes TE as an \$800 million player in this market.

What especially is exciting is that these applications represent customer needs that are well aligned with TE's proven capabilities. In most cases, these sensors function in harsh environments where the cost of failure is very high relative to the cost of the component and customers truly value having a trusted partner that understands their needs and has the scale to meet those needs anywhere in the world.

Please turn to slide 12 and I'll walk you through an example of how this combination opens up opportunities in a specific industry. Measurement Specialties has developed a broad range of sensors to serve the industrial transportation market and has recently strengthened this portfolio with the acquisition of Wema. They have significant momentum in this space and are continuing to accelerate the growth of the revenue pipeline. Even with the success in the industrial transportation market, Measurement Specialties has historically chosen not to play in the automotive market.

The scale requirements and high barriers to entry for non-automotive suppliers made it particularly difficult for them. This creates a significant revenue synergy opportunity as we combine our unrivaled automotive customer access, globally deployed technical resources, harsh environment packaging expertise, and operational scale with Measurement Specialties' product and technology portfolio. TE is the clear world leader in connectivity in the automotive market. We work closely with our customers as they architect the entire vehicle and as they develop the individual systems and applications within this architecture. We have successfully leveraged this access to drive leadership positions in automotive connectors, automotive relays, automotive circuit protection, and leadership for applications that utilize our limited automotive sensor technology portfolio.

Customers are actively asking us to expand our automotive sensor portfolio and have awarded us programs as we bring new technology online. This is just one example in the automotive market and there are similar examples across the other harsh environment markets we serve. The acquisition of Measurement Specialties immediately expands our technology portfolio and opens up a broad range of sensor opportunities in applications where we already hold the market leadership position for connectivity.

I'd now like to turn the call over to Bob to review the transaction highlights.

**Robert W. Hau**

*Chief Financial Officer & Executive Vice President, TE Connectivity Ltd.*

Thanks, Steve. Let me turn to the transaction summary on slide 13. The enterprise value of the transaction is approximately \$1.7 billion, at a price of \$86 per share. This is an all-cash offer that we expect to fund with \$1.3

5

1-877-FACTSET [www.callstreet.com](http://www.callstreet.com)

Copyright © 2001-2014 FactSet CallStreet, LLC

---

**TE Connectivity Ltd. (TEL)**

Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

Corrected Transcript

18-Jun-2014

billion of debt plus cash on hand. Based on Measurement Specialties' current fiscal year guidance, the acquisition price is 16.7 times adjusted EBITDA including their acquisition of Wema and other companies earlier this year.

Tom and Steve gave detail on how we expect to realize multiple revenue synergy opportunities, so I'll give some additional color below the top line. Tax synergies are an important value driver of this acquisition. We'll be able to utilize both the benefits of our structure as well as operating loss carry-forwards, improving the company's financial results. We also expect to realize cost synergies particularly in SG&A and other public company related costs. And beyond this, we expect to apply our TEOA program to increase efficiency as we move forward through the acquisition.

We expect the deal to be accretive by mid-single-digits to adjusted EPS in year one. And this includes interest expense, amortization, and costs to achieve synergies, but excludes deal-related costs. The transaction will be accretive to revenue growth and gross margin.

We have bridge financing in place to cover any debt needed, but currently plan to go to the debt markets in fiscal Q4 to raise approximately \$1.3 billion to fund the transaction. We expect to carry slightly higher debt levels as measured on a debt-to-EBITDA metric, but return to current levels in approximately 18 months.

This transaction does not lead to changes to our capital return program. And we expect to continue to return approximately two-thirds of our free cash flow to shareholders over time. As a data point, we've returned approximately two-thirds of our free cash flow to shareholders since 2007, even with two large acquisitions. The boards of both companies approved the transaction within the last 36 hours, and it's expected to close in the calendar 2014 after approval by Measurement Specialties' shareholders and with customary closing conditions.

I'll turn the call over to Tom for some closing comments.

Thomas J. Lynch

*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

Thank you, Bob. At this point, I wanted to briefly work through how Measurement Specialties fits in with our value creation model, so please turn to slide 14.

As we've identified before, our core company growth rate is expected to be 5% to 7%, roughly two times GDP. The sensor market growth profile is three times GDP, and we expect to grow faster than that with the synergies we bring. Measurement Specialties fortifies our growth rate. Measurement Specialties' sensor gross margins are generally higher than connector gross margins due to the technology demands of the sensor element. Measurement Specialties' gross margins have been consistently in the 40% range and TE's scale will enhance it. So Measurement Specialties also fortifies our gross margin objective. And as Bob said, we will continue to follow our capital return practice of returning

two-thirds of free cash flow to shareholders.

So please turn to slide 15, and I'll wrap up my comments. Today is the culmination of several years' work, developing our in-house sensor business and evaluating the best opportunities to enable TE to establish a strong and broad leadership in the sensor industry. Several years ago, this started out as a program to expand our product range in automotive, now we're making sensors a significant business platform in TE. This approach has given us great confidence that this is the right move at the right time.

I'm thrilled that the Measurement Specialties team is going to join TE. They have a great track record and they'll fit right in with our culture. Together, we will do great things for our customers and we'll create significant value for TE shareholders.

6

1-877-FACTSET [www.callstreet.com](http://www.callstreet.com)

Copyright © 2001-2014 FactSet CallStreet, LLC

---

**TE Connectivity Ltd. (TEL)**  
Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

Corrected Transcript  
18-Jun-2014

I'll now like to turn the call back to Sujal, and Sujal, do you want to take it?

Sujal Shah

*Vice President-Investor Relations, TE Connectivity Ltd.*

Thank you, Tom. At this point, we'll begin the Q&A portion of the call. Paul, will you please give the instructions for the Q&A session.

#### QUESTION AND ANSWER SECTION

**Operator:** [Operator Instructions] Our first question today is from Matt Sheerin with Stifel. Please go ahead.

Matt J. Sheerin  
*Analyst, Stifel, Nicolaus & Co., Inc.*

Q

Hi. Thanks and good afternoon. First question just regarding comments around your [indiscernible] (17:34) allocation strategy. You're sticking to the buyback and dividend strategy but you said over time. Does that mean until you bring debt levels down again over the next year or two, we won't see additional buy backs or dividends?

Thomas J. Lynch  
*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

A

Hey, Matt. You're breaking up a little bit, but let me repeat the question. I think what you asked is, is this going to change our buyback strategy? And when I say over time, does that mean until we pay down the debt we're not going to buy back?

Matt J. Sheerin  
*Analyst, Stifel, Nicolaus & Co., Inc.*

Q

That's correct.

Thomas J. Lynch

A



*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

That's the question?

Matt J. Sheerin  
*Analyst, Stifel, Nicolaus & Co., Inc.*

Q

Yes.

Thomas J. Lynch  
*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

A

No, the answer to that question is we're not going to hold off. We're going to continue to buy back. We're funding this with debt. And over time, what we mean by that is two-thirds, one-third; it's not exactly that every quarter and every year. Last year, it was higher than that. This year, it's running at that. But you will continue to see us in the market buying back.

7

**TE Connectivity Ltd.** (TEL)  
Acquisition of Measurement Specialties, Inc. by TE Connectivity Ltd. Call

Corrected Transcript  
18-Jun-2014

Matt J. Sheerin  
*Analyst, Stifel, Nicolaus & Co., Inc.*

Q

And as a follow up, it sounds like Measurement Specialties is going to be [indiscernible] (18:36) transportation. So it s my understanding is that do you have some [indiscernible] (18:39).

Thomas J. Lynch  
*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

A

We didn t get any of that question, you really broke up there.

Matt J. Sheerin  
*Analyst, Stifel, Nicolaus & Co., Inc.*

Q

[indiscernible] (18:50).

Sujal Shah  
*Vice President-Investor Relations, TE Connectivity Ltd.*

A

Yeah, sorry, Matt. May be you could join the queue at the end and we can put you back through. Paul, could we have the next question, please?

**Operator:** Shawn Harrison with Longbow Research. Please go ahead.

Shawn M. Harrison  
*Analyst, Longbow Research LLC*

Q

Hi. Can you hear me?

Thomas J. Lynch  
*Chairman & Chief Executive Officer, TE Connectivity Ltd.*

A

We can.

Shawn M. Harrison  
*Analyst, Longbow Research LLC*

Q

Okay, this is good. So 19% EBITDA margin currently for the acquisition. Where do you think you can get that? I mean Sensata is doing probably about 10 points better than that right now. Is that a reasonable kind of high -20% EBITDA margin? Or should you expect to be even able to do better than that putting TEOA to the business?