

CTS Corporation

Definition of Financial Term - "Controllable Working Capital as a Percentage of Annualized Sales"

(\$ in millions)

Controllable working capital is defined as accounts receivable plus inventories less accounts payable

	Full Year 2011	October 2, 2011	July 3, 2011	April 3, 2011	Full Year 2010	October 3, 2010	July 4 2010	April 4, 2010	Full Year 2009	September 27, 2009	June 28, 2009	March 29, 2009	Full Year 2008	Full Year 2007
Net Accounts Receivables	\$ 88.3	\$ 90.3	\$ 87.8	\$ 96.4	\$ 95.9	\$ 90.1	\$ 84.6	\$ 74.1	\$ 71.7	\$ 75.9	\$ 73.6	\$ 76.7	\$ 94.2	\$ 100.7
Net Inventory	92.5	91.4	88.6	87.9	76.9	76.6	68.8	60.0	54.3	60.5	61.7	70.2	70.9	73.8
Accounts Payable	(80.5)	(78.9)	(77.1)	(79.4)	(75.4)	(70.5)	(68.2)	(59.5)	(52.3)	(62.2)	(53.0)	(53.4)	(71.3)	(84.2)
Controllable Working Capital	100.4	102.8	99.3	104.9	97.4	96.2	85.2	74.5	73.7	74.2	82.3	93.5	93.8	90.3
Quarterly sales	\$ 144.0	\$ 146.1	\$ 146.9	\$ 151.5	\$ 145.0	\$ 139.4	\$ 138.9	\$ 129.4	\$ 133.9	\$ 126.6	\$ 120.4	\$ 118.1	\$ 162.8	\$ 178.3
Acquisition Adjustments														
Adjusted quarterly sales	\$ 144.0	\$ 146.1	\$ 146.9	\$ 151.5	\$ 145.0	\$ 139.4	\$ 139.4	\$ 129.4	\$ 133.9	\$ 126.6	\$ 120.4	\$ 118.1	\$ 162.8	\$ 178.3
Multiplied by 4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Annualized sales	576.00	584.28	587.68	606.00	580.10	557.45	557.45	517.61	535.55	506.40	481.60	472.40	651.20	713.20
Controllable Working Capital % - Annual	17.4%	17.6%	16.9%	17.3%	16.8%	17.3%	15.3%	14.4%	13.8%	14.7%	17.1%	19.8%	14.4%	12.7%

	1st Half 2010	2nd Half 2009	1st Half 2009
Net Accounts Receivables	\$ 84.6	\$ 71.7	\$ 73.6
Net Inventory	68.8	54.3	61.7
Accounts Payable	(68.2)	(52.3)	(53.0)
Controllable Working Capital	85.2	73.7	82.3
Quarterly sales	\$ 138.9	\$ 133.9	\$ 120.4
Acquisition Adjustments			
Adjusted quarterly sales	\$ 138.9	\$ 133.9	\$ 120.4
Multiplied by 4	4	4	4
Annualized sales	555.60	535.60	481.60
Controllable Working Capital % - Annual	15.3%	13.8%	17.1%