

**CTS Corporation**  
**Reconciliation of Effective Tax Rate to Adjusted Effective Tax Rate**  
**(\$ in millions)**

	<u>2008</u> Q4 YTD
Adjusted effective tax rate	12%
Tax benefit, reversal of reserves and change in tax law	-19%
Effective tax rate	<u><u>-7%</u></u>

*\* Adjustments have been made from previous filings to comply with the provisions of FASB Staff Position No. APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)".*