

CTS Corporation
Reconciliation of Net (Loss) Earnings to Adjusted Net Earnings (Loss)
(\$ in millions)

	2011				2010				2009				Full Year				
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2011	2010	2009	2008	2007
Net earnings / (loss) (A)	5.9	5.9	4.1	5.1	4.8	6.9	5.9	4.4	4.1	4.5	(7.0)	(35.6)	21.0	22.0	(34.1)	28.1	\$ 24.0
Charges (credits) to reported net earnings (loss):																	
Restructuring, restructuring-related, and asset impairment charges	2.4	-	0.7	-	1.7	-	-	-	-	-	-	2.2	3.1	1.7	2.2	6.1	2.6
Goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	33.2	-	-	33.2	-	-
Gain on sale of excess equipment less LTCC severance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional legal costs	-	-	0.3	-	-	-	-	-	-	-	-	-	0.3	-	-	-	-
Total adjustments to reported net earnings	2.4	-	1.0	-	1.7	-	-	-	-	-	-	35.4	3.5	1.7	35.4	6.1	2.6
Total adjustments, tax affected (B)	1.8	-	0.7	-	1.1	-	-	-	-	-	-	34.5	2.5	1.1	34.5	3.9	2.0
Impact of tax repatriation (C)											9.1			9.1			
Impact of tax treaty (D)																(1.4)	
Impact of reversal of tax reserves (E)									2.5						2.5	(4.1)	
Adjusted net earnings / (loss) (A+B+C+D+E)	\$ 7.7	\$ 5.9	\$ 4.8	\$ 5.1	\$ 5.9	\$ 6.9	\$ 5.9	\$ 4.4	\$ 6.6	\$ 4.5	\$ 2.1	\$ (1.1)	\$ 23.4	\$ 23.1	\$ 12.0	\$ 26.5	\$ 26.0
Total 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	\$ 588.5	\$ 552.6	\$ 499.0	\$ 691.7	\$ 685.9
Adjusted net earnings / (loss) as a percentage of total sales.	5.3%	4.0%	3.3%	3.4%	4.1%	4.9%	4.2%	3.4%	4.9%	3.6%	1.7%	-0.9%	4.0%	4.2%	2.4%	3.8%	3.8%

	2010		2009	
	1st Half	2nd Half	1st Half	2nd Half
Net earnings / (loss) (A)	10.3	8.6	(42.6)	
Charges (credits) to reported net earnings (loss):				
Restructuring, restructuring-related, and asset impairment charges	-	-	2.2	
Goodwill impairment	-	-	33.2	
Gain on sale of excess equipment less LTCC severance				
Gain on sale of excess Canadian land				
Total adjustments to reported net (loss) / earnings	-	-	35.4	
Total adjustments, tax affected (B)			34.5	
Impact of tax repatriation (C)				
Impact of tax treaty (D)				9.1
Impact of reversal of tax reserves (E)		2.5		
Adjusted net earnings / (loss) (A+B+C+D+E)	\$ 10.3	\$ 11.1	\$ 1.0	
Total Sales	\$ 268.3	\$ 260.5	\$ 238.5	
Adjusted net earnings / (loss) as a percentage of total sales.	3.8%	4.3%	0.4%	