

CTS Corporation

Reconciliation of Quarterly Effective Tax Rate to Quarterly Adjusted Tax Rate

(\$ in thousands)

	<u>Q2 2009</u>
Calculation of effective tax rate	
Pre-tax earnings	<u>\$ 2,704</u>
Income tax expense	<u>9,729</u>
Effective tax rate	<u>359.8%</u>
Calculation of adjusted tax rate	
Pre-tax earnings	<u>\$ 2,704</u>
Income tax expense	\$ 9,729
Tax expense related to repatriation	<u>(9,077)</u>
Adjusted tax expense	<u>\$ 652</u>
Adjusted tax rate	<u>24.1%</u>

