

CTS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS - UNAUDITED

(In thousands, except per share amounts)

	Three Months Ended	
	April 1, 2007	April 2, 2006 (as restated)*
Net sales	\$ 163,258	\$ 150,493
Costs and expenses:		
Cost of goods sold	132,920	120,452
Selling, general and administrative expenses	21,241	16,886
Research and development expenses	4,120	4,092
(Gain)/Loss on sale of assets	29	(496)
Restructuring charge	-	1,962
Operating earnings	4,948	7,597
Other expenses (income):		
Interest expense	691	1,111
Other	(865)	(128)
Total other expenses	(174)	983
Earnings before income taxes	5,122	6,614
Income tax expense	1,076	1,574
Net earnings	\$ 4,046	\$ 5,040
Net earnings per share:		
Basic	\$ 0.11	\$ 0.14
Diluted	\$ 0.11	\$ 0.13
Cash dividends declared per share	\$ 0.03	\$ 0.03
Average common shares outstanding:		
Basic	35,824	35,821
Diluted	40,410	40,234

* As referenced in CTS' 2006 Form 10-K filed May 15, 2007, the financial statements were restated for each of the first three quarters of 2006 due to accounting misstatements at CTS' California EMS locations.