

CTS Corporation

Definition of Financial Term - "EBITDA" and Reconciliation of EBITDA to Adjusted EBITDA

(\$ in millions)

	Q3		Year-to-Date		Full Year		
	2021	2020	2021	2020	2020	2019	2018
Net (loss) earnings	\$ (63.9)	\$ 11.1	\$ (51.0)	\$ 19.7	\$ 34.7	\$ 36.1	\$ 46.5
Depreciation and amortization expense	6.7	6.7	20.2	19.8	26.7	24.6	22.5
Interest expense	0.5	0.9	1.6	2.6	3.3	2.6	2.1
Tax (benefit) expense	(25.9)	3.2	(24.6)	6.4	10.8	14.1	11.6
EBITDA	(82.6)	21.8	(53.8)	48.6	75.4	77.5	82.7
Adjustments to EBITDA:							
Restructuring charges	0.3	1.0	0.6	1.4	1.8	6.9	4.6
Environmental charges	0.4	0.5	0.9	1.3	2.8	2.3	1.0
Legal settlement	-	-	-	-	-	(0.5)	-
Transaction costs	-	-	-	-	0.3	0.7	-
Costs of tax improvement initiatives	-	-	-	-	-	0.1	1.2
Non-cash pension expense	107.4	0.6	131.1	1.9	2.5	0.8	-
Foreign currency (gain) loss	1.0	(2.3)	1.4	(1.9)	(5.3)	1.8	2.6
Total adjustments to EBITDA	109.2	(0.2)	134.0	2.6	2.1	12.0	9.4
Adjusted EBITDA	\$ 26.6	\$ 21.6	\$ 80.2	\$ 51.2	\$ 77.5	\$ 89.5	\$ 92.1
Net sales	\$ 122.4	\$ 113.8	\$ 380.4	\$ 301.0	\$ 424.1	\$ 469.0	\$ 470.5
Adjusted EBITDA as a % of net sales	21.7%	19.0%	21.1%	17.0%	18.3%	19.1%	19.6%