

CTS Corporation

Reconciliation of Operating Earnings to Adjusted Operating Earnings

(\$ in millions)

	Q3		Year-to-Date		Full Year		
	2021	2020	2021	2020	2020	2019	2018
Operating earnings	\$ 19.0	\$ 13.3	\$ 58.0	\$ 28.0	\$ 45.1	\$ 53.8	\$ 61.0
Adjustments to reported operating earnings:							
Restructuring charges	0.3	1.0	0.6	1.4	1.8	7.4	5.1
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
Total adjustments to reported operating earnings	<u>\$ 0.7</u>	<u>\$ 1.5</u>	<u>\$ 1.4</u>	<u>\$ 2.7</u>	<u>\$ 4.9</u>	<u>\$ 10.0</u>	<u>\$ 7.3</u>
Adjusted operating earnings	\$ 19.7	\$ 14.8	\$ 59.4	\$ 30.7	\$ 50.0	\$ 63.8	\$ 68.3
Net sales	\$ 122.4	\$ 113.8	\$ 380.4	\$ 301.0	\$ 424.1	\$ 469.0	\$ 470.5
Adjusted operating earnings as a % of net sales	16.1%	13.0%	15.6%	10.2%	11.8%	13.6%	14.5%