

## CTS Corporation

### Reconciliation of Operating Earnings to Adjusted Operating Earnings

(\$ in millions)

	Q2		Year-to-Date		Full Year		
	2020	2019	2020	2019	2019	2018	2017
<b>Operating earnings</b>	<b>\$ 6.2</b>	<b>\$ 17.1</b>	<b>\$ 14.7</b>	<b>\$ 31.3</b>	<b>\$ 53.8</b>	<b>\$ 61.0</b>	<b>\$ 38.5</b>
Adjustments to reported operating earnings:							
Restructuring charges	0.1	0.9	0.4	3.0	7.4	5.1	4.1
Loss on sale of facilities, net of expenses	-	-	-	-	-	-	0.7
Environmental charges	0.8	-	0.8	-	2.3	1.0	-
Legal settlement	-	-	-	-	(0.5)	-	-
Transaction costs	-	-	-	-	0.7	-	0.3
Lease termination charge	-	-	-	-	-	-	0.1
Costs of tax improvement initiatives	-	-	-	-	0.1	1.2	0.2
Pension settlement charge	-	-	-	-	-	-	13.4
Total adjustments to reported operating earnings	<u>\$ 0.9</u>	<u>\$ 0.9</u>	<u>\$ 1.2</u>	<u>\$ 3.0</u>	<u>\$ 10.0</u>	<u>\$ 7.3</u>	<u>\$ 5.4</u>
<b>Adjusted operating earnings</b>	<b>\$ 7.2</b>	<b>\$ 18.0</b>	<b>\$ 15.9</b>	<b>\$ 34.3</b>	<b>\$ 63.8</b>	<b>\$ 68.3</b>	<b>\$ 43.9</b>
Sales	\$ 84.2	\$ 120.7	\$ 187.3	\$ 238.3	\$ 469.0	\$ 470.5	\$ 423.0
Adjusted operating earnings as a % of sales	8.5%	14.9%	8.5%	14.4%	13.6%	14.5%	10.5%