

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For The Quarterly Period Ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _____ to _____

Commission File Number: 1-4639

CTS CORPORATION

(Exact name of registrant as specified in its charter)

IN
(State or other jurisdiction of
incorporation or organization)

4925 Indiana Avenue
Lisle, IL
(Address of principal executive offices)

35-0225010
(IRS Employer
Identification Number)

60532
(Zip Code)

Registrant's telephone number, including area code: (630) 577-8800

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, without par value	CTS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13 (a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of October 20, 2026: 28,497,611.

CTS CORPORATION AND SUBSIDIARIES

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CTS CORPORATION AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS - UNAUDITED

(In thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Net sales	\$ 149,583	\$ 142,970	\$ 433,593	\$ 404,047
Cost of goods sold	\$ 86,431	87,629	255,407	249,727
Gross margin	\$ 63,152	55,341	178,186	154,320
Selling, general and administrative expenses	\$ 30,812	27,222	85,185	73,922
Research and development expenses	\$ 6,333	6,901	17,730	19,416
Restructuring charges	\$ 468	280	948	1,028
Operating earnings	\$ 25,539	20,938	74,323	59,954
Other income (expense):				
Interest expense	\$ (630)	(1,110)	(2,042)	(3,398)
Interest income	\$ 782	535	1,832	1,603
Other income (expense), net	\$ 12,534	(643)	12,023	665
Total other income (expense), net	\$ 12,686	(1,218)	11,813	(1,130)
Earnings before income taxes	\$ 38,225	19,720	86,136	58,824
Income tax expense	\$ 20,468	6,033	32,018	13,243
Net earnings	\$ 17,757	\$ 13,687	\$ 54,118	\$ 45,581
Earnings per share:				
Basic	\$ 0.62	\$ 0.47	\$ 1.89	\$ 1.53
Diluted	\$ 0.61	\$ 0.46	\$ 1.87	\$ 1.52
Basic weighted – average common shares outstanding:	28,547	29,348	28,605	29,698
Effect of dilutive securities	370	279	342	281
Diluted weighted – average common shares outstanding:	28,917	29,627	28,947	29,979
Cash dividends declared per share	\$ 0.04	\$ 0.04	\$ 0.12	\$ 0.12

See notes to unaudited condensed consolidated financial statements.

CTS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS - UNAUDITED
(In thousands)

	Three Months Ended		Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Net earnings	\$ 17,757	\$ 13,687	\$ 54,118	\$ 45,581
Other comprehensive (loss) earnings:				
Changes in fair market value of derivatives, net of tax	(888)	1,160	(361)	4,883
Changes in unrealized pension cost, net of tax	(3)	45	-	(64)
Cumulative translation adjustment, net of tax	(1,427)	(631)	(4,686)	12,041
Other comprehensive (loss) earnings	\$ (2,318)	\$ 574	\$ (5,047)	\$ 16,860
Comprehensive earnings	\$ 15,439	\$ 14,261	\$ 49,071	\$ 62,441

See notes to unaudited condensed consolidated financial statements.

CTS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	(Unaudited) September 30, 2026	December 31, 2025
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 143,880	\$ 82,295
Accounts receivable, net of allowance of \$584 and \$910, respectively	93,007	88,096
Inventories, net	62,355	52,854
Other current assets	29,704	29,461
Total current assets	328,946	252,706
Property, plant and equipment, net	86,637	89,741
Operating lease assets, net	31,016	22,542
Other Assets		
Goodwill	207,395	209,611
Other intangible assets, net	139,535	153,562
Deferred income taxes	17,739	25,110
Other	10,826	11,039
Total other assets	375,495	399,322
Total Assets	\$ 822,094	\$ 764,311
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 50,582	\$ 48,220
Operating lease obligations	4,355	3,453
Accrued payroll and benefits	22,699	20,732
Accrued expenses and other liabilities	49,205	37,283
Total current liabilities	126,841	109,688
Long-term debt	55,000	57,500
Long-term operating lease obligations	29,412	21,841
Long-term pension obligations	3,656	3,698
Deferred income taxes	13,163	12,800
Other long-term obligations	7,298	6,998
Total Liabilities	235,370	212,525
Commitments and Contingencies (Note 9)		
Shareholders' Equity		
Common stock	326,888	324,982
Additional contributed capital	46,043	43,303
Retained earnings	764,156	713,467
Accumulated other comprehensive income	8,701	13,748
Total shareholders' equity before treasury stock	1,145,788	1,095,500
Treasury stock	(559,064)	(543,714)
Total shareholders' equity	586,724	551,786
Total Liabilities and Shareholders' Equity	\$ 822,094	\$ 764,311

See notes to unaudited condensed consolidated financial statements.

CTS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED
(In thousands)

	Nine Months Ended	
	September 30, 2026	September 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ 54,118	\$ 45,581
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	26,330	25,880
Pension and other post-retirement plan expense	19	143
Stock-based compensation	7,323	3,432
Deferred income taxes	8,213	671
Change in fair value of contingent consideration liability	164	(2,577)
(Gain) loss on foreign currency hedges, net of cash	(262)	204
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	(5,033)	(5,481)
Inventories	(9,898)	(107)
Operating lease assets	(8,474)	(674)
Other assets	(3,294)	(2,574)
Accounts payable	2,789	4,837
Accrued payroll and benefits	1,398	1,826
Operating lease liabilities	8,472	590
Accrued expenses and other liabilities	12,433	1,268
Pension and other post-retirement plans	(41)	(126)
Net cash provided by operating activities	94,257	72,893
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(11,965)	(12,542)
Short-term investments	2,888	—
Net cash used in investing activities	(9,077)	(12,542)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments of long-term debt	(497,200)	(878,100)
Proceeds from borrowings of long-term debt	494,700	876,500
Purchases of treasury stock	(15,230)	(39,546)
Dividends paid	(3,439)	(3,583)
Taxes paid on behalf of equity award participants	(2,008)	(2,675)
Net cash used in financing activities	(23,177)	(47,404)
Effect of exchange rate changes on cash and cash equivalents	(418)	3,015
Net increase in cash and cash equivalents	61,585	15,962
Cash and cash equivalents at beginning of period	82,295	94,334
Cash and cash equivalents at end of period	\$ 143,880	\$ 110,296
Supplemental cash flow information:		
Cash paid for interest	\$ 1,877	\$ 3,208
Cash paid for income taxes, net	\$ 12,020	\$ 12,456
Non-cash financing and investing activities:		
Capital expenditures incurred but not paid	\$ 1,058	\$ 559
Excise taxes on purchase of treasury stock incurred not paid	\$ 120	\$ 246

See notes to unaudited condensed consolidated financial statements.

CTS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY - UNAUDITED
(in thousands, except shares and per share amounts)

The following summarizes the changes in total equity for the three and nine months ended September 30, 2026:

	Common Stock	Additional Contributed Capital	Retained Earnings	Accumulated Other Comprehensiv e Income (Loss)	Treasury Stock	Total
Balances at December 31, 2025	<u>\$ 324,982</u>	<u>\$ 43,303</u>	<u>\$ 713,467</u>	<u>\$ 13,748</u>	<u>\$ (543,714)</u>	<u>\$ 551,786</u>
Net earnings	—	—	17,197	—	—	17,197
Changes in fair market value of derivatives, net of tax	—	—	—	88	—	88
Changes in unrealized pension cost, net of tax	—	—	—	13	—	13
Cumulative translation adjustment, net of tax	—	—	—	(1,930)	—	(1,930)
Cash dividends of \$0.04 per share	—	—	(1,146)	—	—	(1,146)
Acquired 176,909 shares of treasury stock	—	—	—	—	(8,616)	(8,616)
Issued shares on vesting of restricted stock units	1,595	(3,327)	—	—	—	(1,732)
Stock compensation	—	1,815	—	—	—	1,815
Balances at March 31, 2026	<u>\$ 326,577</u>	<u>\$ 41,791</u>	<u>\$ 729,518</u>	<u>\$ 11,919</u>	<u>\$ (552,330)</u>	<u>\$ 557,475</u>
Net earnings	—	—	19,164	—	—	19,164
Changes in fair market value of derivatives, net of tax	—	—	—	439	—	439
Changes in unrealized pension cost, net of tax	—	—	—	(10)	—	(10)
Cumulative translation adjustment, net of tax	—	—	—	(1,329)	—	(1,329)
Cash dividends of \$0.04 per share	—	—	(1,142)	—	—	(1,142)
Acquired 63,530 shares of treasury stock	—	—	—	—	(3,437)	(3,437)
Issued shares on vesting of restricted stock units	238	(448)	—	—	—	(210)
Stock compensation	—	1,865	—	—	—	1,865
Balances at June 30, 2026	<u>\$ 326,815</u>	<u>\$ 43,208</u>	<u>\$ 747,540</u>	<u>\$ 11,019</u>	<u>\$ (555,767)</u>	<u>\$ 572,815</u>
Net earnings	—	—	17,757	—	—	17,757
Changes in fair market value of derivatives, net of tax	—	—	—	(888)	—	(888)
Changes in unrealized pension cost, net of tax	—	—	—	(3)	—	(3)
Cumulative translation adjustment, net of tax	—	—	—	(1,427)	—	(1,427)
Cash dividends of \$0.04 per share	—	—	(1,141)	—	—	(1,141)
Acquired 57,291 shares of treasury stock	—	—	—	—	(3,297)	(3,297)
Issued shares on vesting of restricted stock units	73	(140)	—	—	—	(67)
Stock compensation	—	2,975	—	—	—	2,975
Balances at September 30, 2026	<u>\$ 326,888</u>	<u>\$ 46,043</u>	<u>\$ 764,156</u>	<u>\$ 8,701</u>	<u>\$ (559,064)</u>	<u>\$ 586,724</u>

See notes to unaudited condensed consolidated financial statements.

CTS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY - UNAUDITED
(in thousands, except shares and per share amounts)

The following summarizes the changes in total equity for the three and nine months ended September 30, 2025:

	Common Stock	Additional Contributed Capital	Retained Earnings	Accumulated Other Comprehensiv e Income (Loss)	Treasury Stock	Total
Balances at December 31, 2024	<u>\$ 321,979</u>	<u>\$ 44,662</u>	<u>\$ 652,851</u>	<u>\$ (4,266)</u>	<u>\$ (487,018)</u>	<u>\$ 528,208</u>
Net earnings	—	—	13,367	—	—	13,367
Changes in fair market value of derivatives, net of tax	—	—	—	876	—	876
Changes in unrealized pension cost, net of tax	—	—	—	14	—	14
Cumulative translation adjustment, net of tax	—	—	—	4,648	—	4,648
Cash dividends of \$0.04 per share	—	—	(1,201)	—	—	(1,201)
Acquired 143,541 shares of treasury stock	—	—	—	—	(6,472)	(6,472)
Issued shares on vesting of restricted stock units	2,656	(5,290)	—	—	—	(2,634)
Stock compensation	—	1,432	—	—	—	1,432
Balances at March 31, 2025	<u>\$ 324,635</u>	<u>\$ 40,804</u>	<u>\$ 665,017</u>	<u>\$ 1,272</u>	<u>\$ (493,490)</u>	<u>\$ 538,238</u>
Net earnings	—	—	18,527	—	—	18,527
Changes in fair market value of derivatives, net of tax	—	—	—	2,847	—	2,847
Changes in unrealized pension cost, net of tax	—	—	—	(123)	—	(123)
Cumulative translation adjustment, net of tax	—	—	—	8,024	—	8,024
Cash dividends of \$0.04 per share	—	—	(1,184)	—	—	(1,184)
Acquired 411,650 shares of treasury stock	—	—	—	—	(16,651)	(16,651)
Issued shares on vesting of restricted stock units	47	(68)	—	—	—	(21)
Stock compensation	—	500	—	—	—	500
Balances at June 30, 2025	<u>\$ 324,682</u>	<u>\$ 41,236</u>	<u>\$ 682,360</u>	<u>\$ 12,020</u>	<u>\$ (510,141)</u>	<u>\$ 550,157</u>
Net earnings	—	—	13,687	—	—	13,687
Changes in fair market value of derivatives, net of tax	—	—	—	1,160	—	1,160
Changes in unrealized pension cost, net of tax	—	—	—	45	—	45
Cumulative translation adjustment, net of tax	—	—	—	(631)	—	(631)
Cash dividends of \$0.04 per share	—	—	(1,166)	—	—	(1,166)
Acquired 399,500 shares of treasury stock	—	—	—	—	(16,669)	(16,669)
Issued shares on vesting of restricted stock units	63	(83)	—	—	—	(20)
Stock compensation	—	1,091	—	—	—	1,091
Balances at September 30, 2025	<u>\$ 324,745</u>	<u>\$ 42,244</u>	<u>\$ 694,881</u>	<u>\$ 12,594</u>	<u>\$ (526,810)</u>	<u>\$ 547,654</u>

See notes to unaudited condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - UNAUDITED

(in thousands, except for share and per share data)

September 30, 2026

NOTE 1 - Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared by CTS Corporation (“CTS”, “we”, “our”, “us” or the “Company”), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to such rules and regulations. The unaudited condensed consolidated financial statements should be read in conjunction with the financial statements, notes thereto, and other information included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

The accompanying unaudited condensed consolidated financial statements reflect, in the opinion of management, all adjustments (consisting of normal recurring items) necessary for a fair statement, in all material respects, of the financial position and results of operations for the periods presented. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ materially from those estimates. The results of operations for the interim periods are not necessarily indicative of the results for the entire year.

During the nine months ended September 30, 2026, the Company entered into new agreements for the purchase of platinum used in the manufacturing process of certain products. The purchased platinum is presented in Property, plant and equipment, net on the Consolidated Balance Sheets. The platinum is not depreciated because it has very low physical loss and is repeatedly reclaimed and reused in our manufacturing process over a very long useful life. The physical loss of platinum in the manufacturing and reclamation process is treated as depletion and these losses are accounted for as a period expense based on actual units lost. Platinum is reviewed for impairment as part of our assessment of long-lived assets. This review considers all our platinum that is either in place in the production process; in reclamation, fabrication, or refinement in anticipation of re-use; or awaiting use to support increased capacity. Platinum is only acquired to support our operations and is not held for trading purposes.

There have been no material changes in the Company’s significant accounting policies as compared to the significant accounting policies described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

Other Matters

During the three months ended September 30, 2026, the Company received \$12,500 for a claim made under its representations and warranties insurance for a previous acquisition which is included in Other income (expense), net in its Condensed Consolidated Statements of Earnings.

Accounting Pronouncements Recently Adopted

ASU No. 2025-05, “Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets”

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, which allows for a practical expedient election to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset in the development of a reasonable and supportable forecast as part of estimating expected credit losses. The Company adopted ASU 2025-05 effective January 1, 2026 on a prospective basis and elected the practical expedient for the calculation of current expected credit losses. The adoption did not have a material effect on the Company’s consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

ASU No. 2024-03, “Income Statement (Subtopic 220-40): Disaggregation of Income Statement Expenses”

In November 2024, the FASB issued ASU 2024-03, Income Statement (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires additional information about certain expenses in the notes to the financial statements. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026 and interim periods thereafter, with early adoption permitted. The standard can be applied either prospectively or retrospectively. The Company is currently evaluating the impact of adopting ASU 2024-03.

ASU No. 2025-06, “Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software”

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software, which is intended to improve the operability and application of guidance related to capitalized software development costs. ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-06.

NOTE 2 – Revenue Recognition

CTS designs and manufactures sensors, actuators, and electronic components for original equipment manufacturers and the U.S. Government. For our customer contracts, we determine the transaction price based on the consideration expected to be received by the Company in exchange for performing its obligations under the applicable contract. We allocate the transaction price to each distinct performance obligation to deliver a good or service, or a collection of goods and/or services, based on the relative standalone selling prices. We usually expect payment from our customers within 30 to 90 days from the shipping date or invoicing date, depending on our terms with the customer. None of our contracts as of September 30, 2026 contained a significant financing component. Differences between the amount of revenue recognized and the amount invoiced, collected from, or paid to our customers are recognized as contract assets or liabilities. Contract assets will be reviewed for impairment when events or circumstances indicate that they may not be recoverable.

To the extent the transaction price includes variable consideration, we estimate the amount to include using either the most likely amount or expected value method, depending on which method is expected to better predict the consideration to which we will be entitled. This estimate is based on historical experience and current facts and circumstances and may require significant judgment. Variable consideration is included in the transaction price only to the extent that it is probable that a significant reversal of cumulative revenue recognized will not occur when the associated uncertainty is subsequently resolved.

Our revenue reserves contain uncertainties because they require management to make assumptions and to apply judgment to estimate the value of future credits to customers for product returns, price adjustments, and stock rotation adjustments. We base these estimates on the most likely value method or expected value method considering all reasonably available information, including our historical experience and current expectations, and are reflected in the transaction price when sales are recorded.

Approximately 95% of our revenue is derived from contracts for sales of commercial products, which generally contain a single performance obligation. We generally recognize revenue at a point in time on the delivery date based on the shipping terms stipulated in the contract.

We also design, manufacture, and test products for certain customers under contracts that allow the customers to unilaterally terminate the contract for convenience, take control of any work in process, and pay us for costs incurred plus a reasonable profit. Revenue from these contracts is generally recognized over time as the work progresses, either as products are produced or services are rendered, because we generally do not have an alternative use for the completed assets produced and we have an enforceable right to payment for performance completed to date. These contracts may contain a single or multiple performance obligations. The accounting for these contracts involves applying significant judgment with respect to estimating total revenues, costs and profit for each performance obligation. We generally estimate revenue for these contracts using the costs incurred by the Company as we have determined that this method is the most representative of the Company's cumulative efforts relative to the total expected efforts to satisfy the performance obligations. Approximately 5% of the Company's revenue is recognized over time.

See Note 9, “Commitments and Contingencies” for information about our product warranties.

Contract Assets and Liabilities

Contract assets and liabilities included in our Condensed Consolidated Balance Sheets are as follows:

	As of		
	September 30, 2026	December 31, 2025	December 31, 2024
Contract Assets			
Unbilled customer receivables included in Other current assets	\$ 12,847	\$ 6,688	\$ 4,104
Total Contract Assets	\$ 12,847	\$ 6,688	\$ 4,104
Contract Liabilities			
Customer advance payments included in Accrued expenses and other liabilities	\$ (437)	\$ (1,633)	\$ (910)
Total Contract Liabilities	\$ (437)	\$ (1,633)	\$ (910)

The revenue recognized during the nine months ended September 30, 2026 and 2025 that was in contract liabilities at the beginning of the period amounted to \$1,196 and \$459, respectively.

Disaggregated Revenue

The following table presents revenues disaggregated by the major markets we serve:

	Three months ended		Nine months ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Transportation	\$ 59,559	\$ 58,547	\$ 178,968	\$ 177,710
Industrial	39,802	37,104	116,449	103,662
Medical	26,602	21,957	78,968	60,264
Aerospace & Defense	23,620	25,362	59,208	62,411
Total	\$ 149,583	\$ 142,970	\$ 433,593	\$ 404,047

NOTE 3 – Accounts Receivable, net

The components of accounts receivable, net are as follows:

	As of	
	September 30, 2026	December 31, 2025
Accounts receivable, gross	\$ 93,591	\$ 89,006
Less: Allowance for credit losses	(584)	(910)
Accounts receivable, net	\$ 93,007	\$ 88,096
	As of	
	September 30, 2025	December 31, 2024
Accounts receivable, gross	\$ 86,718	\$ 78,379
Less: Allowance for credit losses	(849)	(730)
Accounts receivable, net	\$ 85,869	\$ 77,649

NOTE 4 – Inventories, net

Inventories, net consists of the following:

	As of	
	September 30, 2026	December 31, 2025
Finished goods	\$ 11,418	\$ 11,390
Work-in-process	27,265	24,404
Raw materials	36,925	30,726
Less: Inventory reserves	(13,253)	(13,666)
Inventories, net	\$ 62,355	\$ 52,854

NOTE 5 – Property, Plant and Equipment, net

Property, plant and equipment, net is comprised of the following:

	As of	
	September 30, 2026	December 31, 2025
Land and land improvements	\$ 399	\$ 399
Buildings and improvements	74,432	73,248
Machinery and equipment ⁽¹⁾	284,723	276,416
Less: Accumulated depreciation	(272,917)	(260,322)
Property, plant and equipment, net	\$ 86,637	\$ 89,741

⁽¹⁾ Includes \$4,637 of platinum purchased in 2026 which is depleted based on actual usage. See Note 1, “Basis of Presentation,” for further discussion.

Depreciation expense for the three months ended September 30, 2026 and September 30, 2025 was \$4,743 and \$4,780, respectively. Depreciation expense for the nine months ended September 30, 2026 and September 30, 2025 was \$14,266 and \$13,751, respectively.

NOTE 6 – Goodwill and Other Intangible Assets*Goodwill*

Changes in the net carrying amount of goodwill were as follows:

	Total
Goodwill as of December 31, 2025	\$ 209,611
Foreign exchange impact	(2,216)
Goodwill as of September 30, 2026	\$ 207,395

Other Intangible Assets

Other intangible assets, net consist of the following components:

	As of		
	September 30, 2026		
	Gross Carrying Amount	Accumulated Amortization	Net Amount
Customer lists/relationships	\$ 214,434	\$ (95,438)	\$ 118,996
Technology and other intangibles	61,860	(41,321)	20,539
Other intangible assets, net	\$ 276,294	\$ (136,759)	\$ 139,535

	As of December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Amount
Customer lists/relationships	\$ 216,927	\$ (86,526)	\$ 130,401
Technology and other intangibles	62,167	(39,006)	23,161
Other intangible assets, net	\$ 279,094	\$ (125,532)	\$ 153,562

Amortization expense for the three months ended September 30, 2026 and September 30, 2025 was \$3,997 and \$4,054, respectively. Amortization expense for the nine months ended September 30, 2026 and September 30, 2025 was \$12,064 and \$12,129, respectively.

Remaining amortization expense for other intangible assets as of September 30, 2026 is as follows:

	Amortization expense
Remaining 2026	\$ 3,986
2027	15,890
2028	15,855
2029	14,686
2030	14,512
Thereafter	74,606
Total amortization expense	\$ 139,535

NOTE 7 – Costs Associated with Exit and Restructuring Activities

Restructuring charges are reported as a separate line within operating earnings in the Condensed Consolidated Statements of Earnings.

Total restructuring charges are as follows:

	Three Months Ended	
	September 30, 2026	September 30, 2025
Restructuring charges	\$ 468	\$ 280

	Nine Months Ended	
	September 30, 2026	September 30, 2025
Restructuring charges	\$ 948	\$ 1,028

During the three months ended September 30, 2026, we incurred total restructuring charges of \$468, comprised entirely of workforce reduction costs. During the nine months ended September 30, 2026, we incurred total restructuring charges of \$948, comprised of \$928 and \$20 in workforce reduction and building and equipment relocation costs, respectively. The workforce reduction charges incurred are for restructuring activities used to adjust our business in response to changes in demand across certain locations and products. Restructuring charges incurred in relation to building and equipment relocation costs and other charges are for activities intended to consolidate operations across our site locations. The remaining liability associated with our restructuring actions was \$238 and \$192 at September 30, 2026 and December 31, 2025, respectively.

The following table displays the restructuring liability activity included in accrued expenses and other liabilities for the nine months ended September 30, 2026:

Restructuring liability at December 31, 2025	\$ 192
Restructuring charges	948
Costs paid	(902)
Restructuring liability at September 30, 2026	\$ 238

NOTE 8 – Accrued Expenses and Other Liabilities

The components of accrued expenses and other liabilities are as follows:

	As of	
	September 30, 2026	December 31, 2025
Accrued product-related costs	\$ 1,929	\$ 1,789
Accrued income taxes	18,203	7,175
Accrued property and other taxes	1,437	1,071
Accrued professional fees	2,753	1,454
Accrued customer-related liabilities	1,515	2,602
Dividends payable	1,141	1,151
Remediation reserves	15,499	16,450
Derivative liabilities	330	786
Other accrued liabilities	6,398	4,805
Total accrued expenses and other liabilities	\$ 49,205	\$ 37,283

NOTE 9 – Commitments and Contingencies

Certain processes in the manufacture of our current and past products may create by-products classified as hazardous waste. As a result, we have been notified by the U.S. Environmental Protection Agency (“EPA”), state environmental agencies and in some cases, groups of potentially responsible parties, that we may be potentially liable for environmental contamination at several sites currently or formerly owned or operated by us. Currently, none of these costs and accruals relate to sites that provide revenue generating activities for the Company. Two of those sites, Asheville, North Carolina (the “Asheville Site”) and Mountain View, California, are designated National Priorities List sites under the EPA’s Superfund program. We accrue a liability for probable remediation activities, claims, and proceedings against us with respect to environmental matters if the amount can be reasonably estimated, and provide disclosures including the nature of a loss whenever it is probable or reasonably possible that a potentially material loss may have occurred but cannot be estimated. We record contingent loss accruals on an undiscounted basis.

A roll-forward of remediation reserves included in accrued expenses and other liabilities on the Condensed Consolidated Balance Sheets is comprised of the following:

	As of	
	September 30, 2026	December 31, 2025
Balance at beginning of period	\$ 16,450	\$ 12,192
Remediation expense	870	5,465
Net remediation payments	(1,821)	(1,213)
Other activity ⁽¹⁾	-	6
Balance at end of the period	\$ 15,499	\$ 16,450

⁽¹⁾ Other activity includes currency translation adjustments not recorded to remediation expense.

The Company operates under and in accordance with a federal consent decree, dated March 7, 2017, with the EPA for the Asheville Site. On February 8, 2023, the Company received a letter from the EPA (the “EPA Letter”) seeking reimbursement of its past response costs and interest thereon relating to any release or threatened release of hazardous substances at the Asheville Site in the aggregate amount of \$9,955 from the three potentially responsible parties associated with the Asheville Site, including the Company. Subsequently, the Department of Justice (the “DOJ”) re-evaluated the EPA's past response costs and interest thereon and adjusted the amount of the costs to \$8,288. On October 3, 2025, the Company presented a settlement offer as part of pre-litigation mediation and on March 16, 2026, the Company, the other potentially responsible parties, and the EPA agreed in principle on a settlement agreement in the amount of \$7,610 (plus additional interest accrued on the unpaid principal from the settlement date) subject to final approval by the EPA, including a notice and comment period. The Company has updated the estimate of its portion of the settlement agreement to be \$6,746, which has been recorded as of September 30, 2026. As of December 31, 2025 the liability recorded for the Asheville Site was \$6,575.

Unrelated to the environmental claims described above, certain other legal claims are pending against us with respect to matters arising out of the ordinary conduct of our business.

We provide product warranties when we sell our products and accrue for estimated liabilities at the time of sale. Warranty estimates are forecasts based on the best available information and historical claims experience. We accrue for specific warranty claims if we believe that the facts of a specific claim make it probable that a liability in excess of our historical experience has been incurred, and provide disclosures for specific claims whenever it is reasonably possible that a material loss may be incurred which cannot be estimated.

We cannot provide assurance that the ultimate disposition of environmental, legal, and product warranty claims will not materially exceed the amount of our accrued losses and adversely impact our consolidated financial position, results of operations, or cash flows. Our accrued liabilities and disclosures will be adjusted accordingly if additional information becomes available in the future.

NOTE 10 - Debt

Long-term debt is comprised of the following:

	As of	
	September 30, 2026	December 31, 2025
Total credit facility	\$ 300,000	\$ 300,000
Balance outstanding	55,000	57,500
Standby letters of credit	1,540	1,640
Amount available, subject to covenant restrictions	\$ 243,460	\$ 240,860
Weighted-average interest rate	4.74%	5.48%

On November 24, 2025, we entered into a five-year revolving credit agreement (the “Revolving Credit Facility”) with a group of banks for a total credit facility availability of \$300,000, which may be increased by at least \$125,000 pursuant to the Revolving Credit Facility subject to the administrative agent's approval. The Revolving Credit Facility is unsecured and replaced the prior \$400,000 revolving credit facility, which would have expired on December 15, 2026. The Revolving Credit Facility matures on November 24, 2030 and modified the financial and non-financial covenants to provide the Company additional flexibility.

Borrowings in U.S. dollars under the Revolving Credit Facility bear interest, at a per annum rate equal to the applicable Term SOFR rate (but not less than 0.0%), plus the Term SOFR adjustment, plus an applicable margin, which ranges from 1.00% to 1.75%, based on our net leverage ratio. Similarly, borrowings of alternative currencies under the Revolving Credit Facility bear interest equal to a defined risk-free reference rate, plus the applicable risk-free rate adjustment plus an applicable margin, which ranges from 1.00% to 1.75%, based on our net leverage ratio. We use interest rate swaps to convert a portion of our revolving credit facility’s outstanding balance from a variable rate of interest to a fixed rate. The contractual rate of these arrangements ranges from 2.45% to 3.36%. Refer to Note 11, “Derivative Financial Instruments,” for further discussion on the impact of interest rate swaps.

The Revolving Credit Facility includes a swing line sublimit of \$20,000, letter of credit sublimit of \$20,000, and an alternative currency sublimit of \$150,000. We also pay a quarterly commitment fee on the unused portion of the Revolving Credit Facility. The commitment fee ranges from 0.175% to 0.25% based on our net leverage ratio.

The Revolving Credit Facility requires, in addition to customary representations and warranties, that we comply with a maximum net leverage ratio and a minimum interest coverage ratio. Failure to comply with these covenants could reduce the borrowing availability under the Revolving Credit Facility. We were in compliance with all debt covenants at September 30, 2026. The Revolving Credit Facility requires that we deliver quarterly financial statements, annual financial statements, auditor certifications, and compliance certificates within a specified number of days after the end of a quarter and year. Additionally, the Revolving Credit Facility contains restrictions limiting our ability to: dispose of assets; incur certain additional debt; repay other debt or amend subordinated debt instruments; create liens on assets; make investments, loans or advances; make acquisitions or engage in mergers or consolidations; engage in certain transactions with our subsidiaries and affiliates; and make stock repurchases and dividend payments.

We have debt issuance costs related to our long-term debt that are being amortized using the straight-line method over the life of the debt, which approximates the effective interest method. Amortization expense for three and nine months ended September 30, 2026 was \$61 and \$184, respectively. Amortization expense for the three and nine months ended September 30, 2025 was \$48 and \$145, respectively. These costs are included in interest expense in our Condensed Consolidated Statements of Earnings.

Note 11 - Derivative Financial Instruments

Our earnings and cash flows are subject to fluctuations due to changes in foreign currency exchange rates and interest rates. We selectively use derivative financial instruments including foreign currency forward contracts as well as interest rate and cross-currency swaps to manage our exposure to these risks.

The use of derivative financial instruments exposes the Company to credit risk, which relates to the risk of nonperformance by a counterparty to the derivative contracts. We manage our credit risk by entering into derivative contracts with only highly-rated financial institutions and by using netting agreements.

The effective portion of derivative gains and losses is recorded in accumulated other comprehensive income (loss) until the hedged transaction affects earnings upon settlement, at which time it is reclassified to cost of goods sold or net sales. If it is probable that an anticipated hedged transaction will not occur by the end of the originally specified time period, we reclassify the gains or losses related to that hedge from accumulated other comprehensive income (loss) to other income (expense), net.

We assess hedge effectiveness qualitatively by verifying that the critical terms of the hedging instrument and the forecasted transaction continue to match, and that there have been no adverse developments that have increased the risk that the counterparty will default. No recognition of ineffectiveness was recorded in our Condensed Consolidated Statements of Earnings for the three and nine months ended September 30, 2026.

Foreign Currency Hedges

We use forward contracts to mitigate currency risk related to a portion of our forecasted foreign currency revenues and costs. The currency forward contracts are designed as cash flow hedges and are recorded in the Condensed Consolidated Balance Sheets at fair value.

We continue to monitor the Company's overall currency exposure and may elect to add cash flow hedges in the future. At September 30, 2026, we had a net unrealized gain of \$2,297 in accumulated other comprehensive income (loss), \$2,609 of which is expected to be reclassified to earnings within the next 12 months. The notional amount of foreign currency forward contracts outstanding was \$63,663 at September 30, 2026.

Interest Rate Swaps

We use interest rate swaps to convert a portion of our Revolving Credit Facility's outstanding balance from a variable rate of interest to a fixed rate. As of September 30, 2026, we have agreements to fix interest rates on \$50,000 of long-term debt until December 2030. The difference to be paid or received under the terms of the swap agreements will be recognized as an adjustment to interest expense when settled.

These swaps are treated as cash flow hedges and consequently, the changes in fair value are recorded in other comprehensive earnings (loss). The estimated net amount of the existing gains that are reported in accumulated other comprehensive income (loss) that are expected to be reclassified into earnings within the next twelve months is approximately \$634.

Cross-Currency Swap

The Company has operations and investments in various international locations and is subject to risks associated with changing foreign exchange rates. In order to hedge the Krone-based purchase price for the acquisition of Ferroperm Piezoceramics, A.S. ("Ferroperm"), the Company entered into a cross-currency interest rate swap agreement on June 27, 2022 that synthetically swapped \$25,000 of variable rate debt to Krone denominated variable rate debt. Upon completion of the Ferroperm acquisition on June 30, 2022, the transaction was designated as a net investment hedge for accounting purposes and will mature on June 30, 2027.

Accordingly, any gains or losses on this derivative instrument are included in the foreign currency translation component of other comprehensive earnings (loss) until the net investment is sold, diluted or liquidated. As of September 30, 2026, we had a net unrealized loss of \$1,458 in accumulated other comprehensive income (loss). Interest payments received for the cross-currency swap are excluded from the net investment hedge effectiveness assessment and are recorded in interest expense in the Condensed Consolidated Statements of Earnings. The assumptions used in measuring fair value of the cross-currency swap are considered level 2 inputs, which are based upon the Krone to U.S. Dollar exchange rate market.

The location and fair values of derivative instruments designated as hedging instruments in the Condensed Consolidated Balance Sheets as of September 30, 2026, are shown in the following table:

	As of	
	September 30, 2026	December 31, 2025
Interest rate swaps reported in Other current assets	\$ 634	\$ 455
Interest rate swaps reported in Other assets	2,091	-
Cross-currency swap reported in Accrued expenses and other liabilities	(330)	(786)
Foreign currency hedges reported in Other current assets	2,092	4,767

The Company has elected to net its foreign currency derivative assets and liabilities in the balance sheet in accordance with ASC 210-20 (*Balance Sheet, Offsetting*). On a gross basis, there were foreign currency derivative assets of \$2,889 and foreign currency derivative liabilities of \$797 at September 30, 2026.

The effect of derivative instruments on the Condensed Consolidated Statements of Earnings is as follows:

	Three Months Ended		Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Foreign Exchange Contracts:				
Amounts reclassified from AOCI to earnings:				
Net sales	\$ (50)	\$ (275)	\$ (465)	\$ (547)
Cost of goods sold	1,780	366	5,271	(581)
Total net gain (loss) reclassified from AOCI to earnings	1,730	91	4,806	(1,128)
Total derivative gain (loss) on foreign exchange contracts recognized in earnings	\$ 1,730	\$ 91	\$ 4,806	\$ (1,128)
Interest Rate Swaps:				
Income recorded in Interest expense	\$ 157	\$ 238	\$ 462	\$ 709
Cross-Currency Swap:				
Income recorded in Interest expense	\$ 26	\$ 73	\$ 108	\$ 223
Total net gain (loss) on derivatives	\$ 1,913	\$ 402	\$ 5,376	\$ (196)

NOTE 12 – Accumulated Other Comprehensive Income (Loss)

Shareholders' equity includes certain items classified as accumulated other comprehensive income (loss) ("AOCI") in the Condensed Consolidated Balance Sheets, including:

- **Unrealized gains (losses) on hedges** relate to interest rate swaps to convert a portion of our Revolving Credit Facility's outstanding balance from a variable rate of interest into a fixed rate, foreign currency forward contracts used to hedge our exposure to changes in exchange rates affecting certain revenues and costs denominated in foreign currencies, as well as a cross-currency swap that synthetically converts our U.S. Dollar variable rate debt to Krone denominated variable rate debt. The interest rate swaps and foreign currency forward contracts are designated as cash flow hedges, and we have deferred income statement recognition of gains and losses until the hedged transactions occur, at which time amounts are reclassified into earnings. Further information related to our derivative financial instruments is included in Note 11 – "Derivative Financial Instruments" and Note 15 – "Fair Value Measurements".
- **Unrealized gains (losses) on pension obligations** are deferred from income statement recognition until the gains or losses are realized. Amounts reclassified to income from AOCI are included in net periodic pension income (expense).
- **Cumulative translation adjustments** relate to our non-U.S. subsidiary companies that have designated a functional currency other than the U.S. Dollar. We are required to translate the subsidiary functional currency financial statements to dollars using a combination of historical, period-end, and average foreign exchange rates. This combination of rates creates the foreign currency translation adjustment component of other comprehensive earnings (loss).

Changes in exchange rates between the functional currency and the currency in which a transaction is denominated are foreign exchange transaction gains or losses. Transaction gains (losses) for the three and nine months ended September 30, 2026 were \$89 and \$(423), respectively. Transaction gains (losses) for the three and nine months ended September 30, 2025 were \$(565) and \$739, respectively. The impact of these changes are included in Other income (expense) in the Condensed Consolidated Statements of Earnings.

The components of accumulated other comprehensive income (loss) for the three months ended September 30, 2026, are as follows:

	As of June 30, 2026	Gain (Loss) Recognized in OCI	(Gain) Loss Reclassified from AOCI to Earnings	As of September 30, 2026
Changes in fair market value of derivatives:				
Gross	\$ 6,180	\$ 726	\$ (1,887)	\$ 5,019
Income tax (expense) benefit	(1,461)	(170)	443	(1,188)
Net	4,719	556	(1,444)	3,831
Changes in unrealized pension cost:				
Gross	(309)	—	(12)	(321)
Income tax benefit	272	—	9	281
Net	(37)	—	(3)	(40)
Cumulative translation adjustment:				
Gross	6,337	(1,427)	—	4,910
Income tax benefit (expense)	—	—	—	—
Net	6,337	(1,427)	—	4,910
Total accumulated other comprehensive income (loss)	\$ 11,019	\$ (871)	\$ (1,447)	\$ 8,701

The components of accumulated other comprehensive income (loss) for the three months ended September 30, 2025 are as follows:

	As of June 30, 2025	Gain (Loss) Recognized in OCI	(Gain) Loss Reclassified from AOCI to Earnings	As of September 30, 2025
Changes in fair market value of derivatives:				
Gross	\$ 3,136	\$ 1,846	\$ (329)	\$ 4,653
Income tax (expense) benefit	(746)	(434)	77	(1,103)
Net	2,390	1,412	(252)	3,550
Changes in unrealized pension cost:				
Gross	(523)	—	38	(485)
Income tax benefit	305	—	7	312
Net	(218)	—	45	(173)
Cumulative translation adjustment:				
Gross	9,848	(631)	—	9,217
Income tax benefit (expense)	—	—	—	—
Net	9,848	(631)	—	9,217
Total accumulated other comprehensive income (loss)	\$ 12,020	\$ 781	\$ (207)	\$ 12,594

The components of accumulated other comprehensive income (loss) for the nine months ended September 30, 2026 are as follows:

	As of December 31, 2025	Gain (Loss) Recognized in OCI	(Gain) Loss Reclassified from AOCI to Earnings	As of September 30, 2026
Changes in fair market value of derivatives:				
Gross	\$ 5,492	\$ 4,795	\$ (5,268)	\$ 5,019
Income tax (expense) benefit	(1,300)	(1,126)	1,238	(1,188)
Net	4,192	3,669	(4,030)	3,831
Changes in unrealized pension cost:				
Gross	(301)	—	(20)	\$ (321)
Income tax benefit (expense)	261	—	20	281
Net	(40)	—	—	(40)
Cumulative translation adjustment:				
Gross	9,596	(4,686)	—	\$ 4,910
Income tax benefit (expense)	—	—	—	—
Net	9,596	(4,686)	—	4,910
Total accumulated other comprehensive income (loss)	\$ 13,748	\$ (1,017)	\$ (4,030)	\$ 8,701

The components of accumulated other comprehensive income (loss) for the nine months ended September 30, 2025 are as follows:

	As of December 31, 2024	Gain (Loss) Recognized in OCI	(Gain) Loss Reclassified from AOCI to Earnings	As of September 30, 2025
Changes in fair market value of derivatives:				
Gross	\$ (1,730)	\$ 5,963	\$ 420	\$ 4,653
Income tax benefit (expense)	397	(1,401)	(99)	(1,103)
Net	(1,333)	4,562	321	3,550
Changes in unrealized pension cost:				
Gross	(409)	—	(76)	(485)
Income tax benefit (expense)	300	—	12	312
Net	(109)	—	(64)	(173)
Cumulative translation adjustment:				
Gross	(2,824)	12,041	—	9,217
Income tax benefit (expense)	—	—	—	—
Net	(2,824)	12,041	—	9,217
Total accumulated other comprehensive (loss) income	\$ (4,266)	\$ 16,603	\$ 257	\$ 12,594

NOTE 13 – Shareholders' Equity

Share count and par value data related to shareholders' equity are as follows:

	As of	
	September 30, 2026	December 31, 2025
Preferred Stock		
Par value per share	No par value	No par value
Shares authorized	25,000,000	25,000,000
Shares outstanding	—	—
Common Stock		
Par value per share	No par value	No par value
Shares authorized	75,000,000	75,000,000
Shares issued	57,679,868	57,628,332
Shares outstanding	28,511,906	28,758,100
Treasury stock		
Shares held	29,167,962	28,870,232

In November 2025, our Board of Directors approved a new share repurchase program authorizing the Company to repurchase up to \$100,000 of its common stock ("2025 Repurchase Program"). This program replaces the prior share repurchase program that was approved in February 2024. The 2025 Repurchase Program has no set expiration date and authorizes repurchases from time to time in the open market (including, without limitation, the use of Rule 10b5-1 plans), or through privately negotiated transactions, and repurchases will depend on various factors, including our evaluation of general market and economic conditions, our financial condition and the trading price of our common stock. The 2025 Repurchase Program may be extended, modified, suspended or discontinued at any time.

During the three and nine months ended September 30, 2026, 57,291 and 297,730 shares of common stock were repurchased for \$3,353 and \$15,454, respectively. During the three and nine months ended September 30, 2025, 399,500 and 954,691 shares of common stock were repurchased for \$16,739 and \$40,083, respectively. As of September 30, 2026, approximately \$74,913 remains available for future purchases.

We are subject to a 1% excise tax on stock repurchases under the United States Inflation Reduction Act of 2022 which we include in the cost of stock repurchases as a reduction of shareholders' equity. As of September 30, 2026 and December 31, 2025, we had \$107 and \$517, respectively, recorded in Accrued expenses and other liabilities in the Consolidated Balance Sheet.

A roll-forward of common shares outstanding is as follows:

	Nine Months Ended	
	September 30, 2026	September 30, 2025
Balance at the beginning of the year	28,758,100	30,026,045
Repurchases	(297,730)	(954,691)
Restricted share issuances	51,536	78,855
Balance at the end of the period	28,511,906	29,150,209

Certain restricted stock units are excluded from diluted earnings per share because they are anti-dilutive. The number of outstanding awards that were anti-dilutive shares for the nine months ended September 30, 2026 was 158. There were no anti-dilutive shares for the three months ended September 30, 2026 and the three and nine months ended September 30, 2025.

NOTE 14 - Stock-Based Compensation

At September 30, 2026, we had five active stock-based compensation plans: the Non-Employee Directors' Stock Retirement Plan ("Directors' Plan"); the 2004 Omnibus Long-Term Incentive Plan ("2004 Plan"); the 2009 Omnibus Equity and Performance Incentive Plan ("2009 Plan"); the 2014 Performance and Incentive Compensation Plan ("2014 Plan"); and the 2018 Equity and Incentive Compensation Plan ("2018 Plan"). Future grants can only be made under the 2018 Plan.

The 2018 Plan allows for grants of stock options, stock appreciation rights, restricted stock, restricted stock units ("RSUs"), performance shares, performance units, and other stock awards subject to its terms.

The following table summarizes the compensation expense included in selling, general and administrative expenses in the Condensed Consolidated Statements of Earnings related to stock-based compensation plans:

	Three Months Ended		Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Service-based RSUs	\$ 1,192	\$ 936	\$ 3,262	\$ 2,526
Performance-based RSUs	1,783	156	3,393	498
Cash-settled RSUs	332	78	668	408
Total	\$ 3,307	\$ 1,170	\$ 7,323	\$ 3,432
Income tax benefit	777	275	1,721	806
Net expense	\$ 2,530	\$ 895	\$ 5,602	\$ 2,626

The following table summarizes the unrecognized compensation expense related to unvested RSUs by type and the weighted-average period in which the expense is to be recognized:

	Unrecognized Compensation Expense at September 30, 2026	Weighted- Average Period (years)
Service-based RSUs	\$ 3,684	1.50
Performance-based RSUs	6,008	1.93
Total	\$ 9,692	1.76

We recognize expense on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in substance, multiple awards.

The following table summarizes the status of these plans as of September 30, 2026:

	2018 Plan	2014 Plan	2009 Plan	2004 Plan	Directors' Plan
Awards originally available	2,500,000	1,500,000	3,400,000	6,500,000	N/A
Maximum potential awards outstanding	786,189	35,100	30,000	14,545	4,722
RSUs and cash-settled awards vested and released	877,755	—	—	—	—
Awards available for grant	836,056	—	—	—	—

Service-Based Restricted Stock Units

The following table summarizes the service-based RSU activity for the nine months ended September 30, 2026:

	Units	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2025	320,640	\$ 34.82
Granted	74,369	57.44
Vested and released	(63,657)	44.66
Forfeited	(2,764)	47.50
Outstanding at September 30, 2026	328,588	\$ 37.95
Releasable at September 30, 2026	169,267	\$ 26.42

Performance-Based Restricted Stock Units

The following table summarizes the performance-based RSU activity for the nine months ended September 30, 2026:

	Units	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2025	200,598	\$ 44.07
Granted	93,999	57.83
Attained by performance	5,400	43.80
Released	(24,466)	43.80
Forfeited	(31,373)	43.59
Outstanding at September 30, 2026	244,158	\$ 49.48
Releasable at September 30, 2026	—	\$ —

Cash-Settled Restricted Stock Units

Cash-Settled RSUs entitle the holder to receive the cash equivalent of one share of common stock for each unit when the unit vests. These RSUs are issued to key employees residing in foreign locations as direct compensation. Generally, these RSUs vest over a three-year period. Cash-Settled RSUs are classified as liabilities and are remeasured at each reporting date until settled. At September 30, 2026 and December 31, 2025, we had 36,695 and 39,661 cash-settled RSUs outstanding, respectively. At September 30, 2026 and December 31, 2025 liabilities of \$779 and \$594, respectively, were included in Accrued expenses and other liabilities on our Condensed Consolidated Balance Sheets.

NOTE 15 - Fair Value Measurements

The table below summarizes our financial assets and liabilities that were measured at fair value on a recurring basis as of September 30, 2026:

	Asset (Liability) Carrying Value at September 30, 2026	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Interest rate swaps	\$ 2,725	\$ —	\$ 2,725	\$ —
Foreign currency hedges	\$ 2,092	\$ —	\$ 2,092	\$ —
Cross-currency swap	\$ (330)	\$ —	\$ (330)	\$ —
Qualified replacement plan assets	\$ 6,733	\$ 6,733	\$ —	\$ —
Contingent consideration	\$ (3,617)	\$ —	\$ —	\$ (3,617)

The table below summarizes the financial assets and liabilities that were measured at fair value on a recurring basis as of December 31, 2025:

	Asset (Liability) Carrying Value at December 31, 2025	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Interest rate swaps	\$ 455	\$ —	\$ 455	\$ —
Foreign currency hedges	\$ 4,767	\$ —	\$ 4,767	\$ —
Cross-currency swap	\$ (786)	\$ —	\$ (786)	\$ —
Qualified replacement plan assets	\$ 8,991	\$ 8,991	\$ —	\$ —
Contingent consideration	\$ (3,453)	\$ —	\$ —	\$ (3,453)

We use interest rate swaps to convert a portion of our Revolving Credit Facility's outstanding balance from a variable rate of interest into a fixed rate and foreign currency forward contracts to hedge the effect of foreign currency changes on certain revenues and costs denominated in foreign currencies. The Company entered into a cross-currency swap agreement in order to manage its exposure to changes in interest rates related to foreign debt. These derivative financial instruments are measured at fair value on a recurring basis. The fair value of our interest rate swaps and foreign currency hedges were measured using standard valuation models using market-based observable inputs over the contractual terms, including forward yield curves, among others. There is a readily determinable market for these derivative instruments, but that market is not active and therefore they are classified within Level 2 of the fair value hierarchy.

The fair value of the contingent consideration requires significant judgment. The Company's fair value estimates used in the contingent consideration valuation are considered Level 3 fair value measurements. The fair value estimates were based on assumptions management believes to be reasonable, but that are inherently uncertain, including estimates of future revenues and timing of events and activities that are expected to take place.

A roll-forward of the contingent consideration is as follows:

	Contingent Consideration
Balance at December 31, 2025	\$ 3,453
Change in fair value	164
Balance at September 30, 2026	\$ 3,617

As of September 30, 2026, \$3,617 was recorded in Other long-term obligations on our Condensed Consolidated Balance Sheets.

Our long-term debt consists of the Revolving Credit Facility, which is recorded at its carrying value. There is a readily determinable market for our long-term debt and it is classified within Level 2 of the fair value hierarchy as the market is not deemed to be active. The fair value of long-term debt approximates its carrying value and was determined by valuing a similar hypothetical coupon bond and attributing that value to our long-term debt under the Revolving Credit Facility.

The qualified replacement plan assets consist of investment funds maintained for future contributions to the Company's U.S. 401(k) program. The investments are Level 1 marketable securities and are recorded in Other Assets on our Condensed Consolidated Balance Sheets.

NOTE 16 - Income Taxes

The effective income tax rates for the three and nine months ended September 30, 2026 and 2025 are as follows:

	Three Months Ended		Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Effective tax rate	53.5%	30.6%	37.2%	22.5%

Our effective income tax rate was 53.5% and 30.6% in the third quarter of 2026 and 2025, respectively. The increase in the effective income tax rate is primarily attributable to the establishment of reserves related to an uncertain tax position. The third quarter 2026 effective income tax rate was higher than the U.S. statutory federal tax rate for this same reason. The third quarter 2025 effective income tax rate was higher than the U.S. statutory federal tax rate primarily due to foreign earnings that are taxed at higher rates and the impact on the One Big Beautiful Bill Act.

Our effective income tax rate was 37.2% and 22.5% in the nine months ended September 30, 2026 and 2025, respectively. The increase in the effective income tax rate is primarily attributable to the establishment of reserves related to an uncertain tax position. The effective income tax rate in the first nine months of 2026 was higher than the U.S. statutory federal income tax rate for this same reason. The effective income tax rate in the first nine months of 2025 was higher than the U.S. statutory federal income tax rate primarily due to foreign earnings that are taxed at higher rates and the impact on the One Big Beautiful Bill Act.

In the third quarter of 2026, certain of the Company's subsidiaries received notices from relevant tax authorities challenging certain of the Company's tax position. Although the Company believes its tax positions are appropriate and is currently discussing the matter with the relevant tax authorities, the Company has recorded a charge of \$12,728 in the third quarter of 2026. The Company is unable to estimate the timing for resolution of this matter.

NOTE 17 - Segment Information

The Company designs, manufactures, and sells a broad line of sensors, connectivity components, and actuators across multiple end markets in North America, Asia, and Europe. Our Chief Operating Decision Maker ("CODM"), who is our Chief Executive Officer, analyzes the results of our business through one reportable segment. Our CODM evaluates the operating results and performance through Net earnings, which are reported on the Consolidated Statements of Earnings. These financial metrics are used to view operating trends, perform analytical comparisons and benchmark performance between periods and to monitor budget-to-actual variances on a monthly basis. To manage operations and make decisions regarding resources, our CODM is regularly provided and reviews expense information at a consolidated level for our Cost of goods sold, Selling, general, and administrative expenses and Research and Development expenses, which are reported on the Consolidated Statements of Earnings. As part of our strategic planning and annual operating plan, a focus is on sales growth, diversification, and profitability. The measure of segment assets is reported on the Consolidated Balance Sheet as Total Assets, but the CODM does not use discrete balance sheet information in assessing performance and allocating resources.

NOTE 18 - Subsequent Events

On October 23, 2026 we acquired Millar Holdings, Inc. (“Millar”) for \$50,000, net of cash acquired and debt assumed, with up to \$20,000 in additional contingent consideration payable subject to the achievement of specified financial performance targets. The acquisition was funded using cash on hand. Millar specializes in the design, development, and manufacturing of advanced pressure sensing technologies for medical devices, life sciences, and industrial applications. The acquisition strengthens CTS’s position in advanced sensing technologies and expands its presence in diversified end markets.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”)

(in thousands, except percentages and per share amounts)

The following discussion should be read in conjunction with our unaudited Condensed Consolidated Financial Statements and notes included under Item 1, as well as our Consolidated Financial Statements and notes and related Management’s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Overview

CTS is a global manufacturer of sensors, connectivity components, and actuators. CTS was established in 1896 as a provider of high-quality telephone products and was incorporated as an Indiana corporation in February 1929. Our principal executive offices are located in Lisle, Illinois.

We design, manufacture, and sell a broad line of sensors, connectivity components, and actuators primarily to original equipment manufacturers (“OEMs”), tier one suppliers, distributors and the U.S. Government for the aerospace and defense, industrial, medical, and transportation markets. Our vision is to be a leading provider of sensing and motion devices as well as connectivity components, enabling an intelligent and seamless world. These devices are categorized by their ability to Sense, Connect or Move. Sense products provide vital inputs to electronic systems. Connect products allow systems to function in synchronization with other systems. Move products ensure required movements are effectively and accurately executed. We are committed to achieving our vision by continuing to invest in the development of products, technologies, and talent within these categories.

We operate manufacturing facilities in North America, Asia, and Europe. Sales and marketing are accomplished through our sales engineers. We also utilize independent manufacturers' representatives and distributors to extend our sales capability.

There is an increasing proliferation of sensing and motion applications within various markets we serve. In addition, the increasing connectivity of various devices to the internet results in greater demand for communication bandwidth and data storage, increasing the need for our connectivity products. Our success is dependent on the ability to execute our strategy to support these trends. We are subject to a number of challenges including, without limitation, periodic market softness, competition from other suppliers, changes in technology, and changes in the economy generally, including inflationary and/or recessionary conditions and increased tariffs, as well as the ability to add new customers, launch new products or penetrate new markets. Many of these, and other risks and uncertainties relating to the Company and our business, are discussed in further detail in Item 1A. of our Annual Report on Form 10-K and other filings made with the SEC.

Recent Developments

On June 25, 2026 we announced the promotion of Pratik Trivedi to President and Chief Executive Officer, effective July 6, 2026. Mr. Trivedi succeeds Kieran O’Sullivan, who will remain on the Board of Directors (the “Board”) and serve as Executive Chair. Mr. Trivedi became a member of the Board, effective July 6, 2026.

Millar Acquisition

On October 23, 2026 we acquired Millar Holdings, Inc. (“Millar”) for \$50,000, net of cash acquired and debt assumed, with up to \$20,000 in additional contingent consideration payable subject to the achievement of specified financial performance targets. The acquisition was funded using cash on hand. Millar specializes in the design, development, and manufacturing of advanced pressure sensing technologies for medical devices, life sciences, and industrial applications. The acquisition strengthens CTS’s position in advanced sensing technologies and expands its presence in diversified end markets.

Results of Operations: Third Quarter 2026 versus Third Quarter 2025

The following table highlights changes in significant components of the Unaudited Condensed Consolidated Statements of Earnings for the quarters ended September 30, 2026 and September 30, 2025:

	Three Months Ended		Percent Change	Percentage of Net Sales – 2026	Percentage of Net Sales – 2025
	September 30, 2026	September 30, 2025			
Net sales	\$ 149,583	\$ 142,970	4.6%	100.0%	100.0%
Cost of goods sold	86,431	87,629	(1.4)	57.8	61.3
Gross margin	63,152	55,341	14.1	42.2	38.7
Selling, general and administrative expenses	30,812	27,222	13.2	20.6	19.1
Research and development expenses	6,333	6,901	(8.2)	4.2	4.8
Restructuring charges	468	280	67.1	0.3	0.2
Total operating expenses	37,613	34,403	9.3	25.1	24.1
Operating earnings	25,539	20,938	22.0	17.1	14.7
Total other income (expense), net	12,686	(1,218)	(1,141.5)	8.5	(0.9)
Earnings before income taxes	38,225	19,720	93.8	25.6	13.8
Income tax expense	20,468	6,033	239.3	13.7	4.2
Net earnings	\$ 17,757	\$ 13,687	29.7%	11.9%	9.6%
Earnings per share:					
Diluted net earnings per share	\$ 0.61	\$ 0.46			

Net sales were \$149,583 in the third quarter of 2026, an increase of \$6,613, or 4.6%, from the third quarter of 2025. Net sales to the diversified end markets increased \$5,601, or 6.6%. We achieved continued growth in the medical and industrial end markets, while the aerospace and defense end market declined primarily due to the timing of contract awards. Net sales to the transportation end market increased \$1,012 or 1.7%.

Gross margin was \$63,152 in the third quarter of 2026, an increase of \$7,811, or 14.1%, from the third quarter of 2025. Our gross margin percentage increased from 38.7% for the third quarter of 2025 to 42.2% for the third quarter of 2026 due to improved mix of sales by end market, operational improvements and the favorable impact of changes in foreign exchange rates of approximately \$1,404.

Selling, general and administrative (“SG&A”) expenses were \$30,812, or 20.6% of Net sales, in the third quarter of 2026 versus \$27,222, or 19.1% of Net sales, in the third quarter of 2025. The increase in SG&A expenses was primarily driven by higher incentive compensation expense in the third quarter of 2026 due to company performance.

Research and development (“R&D”) expenses were \$6,333, or 4.2% of Net sales, in the third quarter of 2026 compared to \$6,901, or 4.8% of Net sales, in the comparable quarter of 2025. Our R&D expenses are in line with our commitment to continue investing in research and product development to drive organic growth.

Restructuring charges were \$468 or 0.3% of Net sales in the third quarter of 2026 compared to \$280 or 0.2% of Net sales in the third quarter of 2025. See Note 7 “Costs Associated with Exit and Restructuring Activities” in the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for further information.

Other income and expense items are summarized in the following table:

	Three Months Ended	
	September 30, 2026	September 30, 2025
Interest expense	\$ (630)	\$ (1,110)
Interest income	782	535
Other income (expense), net	12,534	(643)
Total other income (expense), net	\$ 12,686	\$ (1,218)

During the three months ended September 30, 2026, Other income (expense), net is driven by the receipt of a \$12,500 representations and warranties insurance claim related to a prior acquisition. Interest expense decreased due to lower borrowings on our Revolving Credit Facility during the third quarter of 2026.

	Three Months Ended	
	September 30, 2026	September 30, 2025
Effective tax rate	53.5%	30.6%

Our effective income tax rate was 53.5% and 30.6% in the third quarters of 2026 and 2025, respectively. The increase in the effective income tax rate is primarily attributable to the establishment of reserves related to an uncertain tax position. See Note 16 “Income Taxes” in the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for further information.

Results of Operations: Nine Months ended September 30, 2026 versus Nine Months Ended September 30, 2025

The following table highlights changes in significant components of the Unaudited Condensed Consolidated Statements of Earnings for the nine months ended September 30, 2026, and September 30, 2025:

	Nine Months Ended		Percent Change	Percentage of Net Sales – 2026	Percentage of Net Sales – 2025
	September 30, 2026	September 30, 2025			
Net sales	\$ 433,593	\$ 404,047	7.3%	100.0%	100.0%
Cost of goods sold	255,407	249,727	2.3	58.9	61.8
Gross margin	178,186	154,320	15.5	41.1	38.2
Selling, general and administrative expenses	85,185	73,922	15.2	19.7	18.3
Research and development expenses	17,730	19,416	(8.7)	4.1	4.8
Restructuring charges	948	1,028	(7.8)	0.2	0.3
Total operating expenses	103,863	94,366	10.1	24.0	23.4
Operating earnings	74,323	59,954	24.0	17.2	14.8
Total other income (expense), net	11,813	(1,130)	(1145.4)	2.7	(0.3)
Earnings before income taxes	86,136	58,824	46.4	19.9	14.6
Income tax expense	32,018	13,243	141.8	7.4	3.3
Net earnings	\$ 54,118	\$ 45,581	18.7%	12.5%	11.3%
Earnings per share:					
Diluted net earnings per share	\$ 1.87	\$ 1.52			

Net sales were \$433,593 in the nine months ended September 30, 2026, an increase of \$29,546 or 7.3% from the nine months ended September 30, 2025. Net sales to the diversified end markets increased \$28,288, or 12.5%. We achieved continued growth in the medical and industrial end markets, while the aerospace and defense end market declined primarily due to the timing of contract awards. Net sales to the transportation end market increased \$1,258, or 0.7%. Changes in foreign exchange rates increased Net sales by \$4,703.

Gross margin was \$178,186 for the nine months ended September 30, 2026, an increase of \$23,866 or 15.5% from the nine months ended September 30, 2025. Our gross margin percentage increased from 38.2% for the nine months ended September 30, 2025 to 41.1% for the nine months ended September 30, 2026 due to an improved mix of sales by end market, operational improvements, and a favorable impact of changes in foreign exchange rates had a benefit on our gross margin of approximately \$3,036.

SG&A expenses were \$85,185 or 19.6% of Net sales for the nine months ended September 30, 2026 versus \$73,922 or 18.3% of Net sales for the nine months ended September 30, 2025. The increase in SG&A expenses was primarily driven by higher employee incentive expense for the nine months ended September 30, 2026 due to company performance and a reduction to an acquisition earnout liability in the nine months ended September 30, 2025.

R&D expenses were \$17,730 or 4.1% of Net sales for the nine months ended September 30, 2026 compared to \$19,416 or 4.8% of Net sales for the nine months ended September 30, 2025. R&D expenses were lower in the nine months ended September 30, 2026 due to a \$1,634 one-time customer reimbursement.

Restructuring charges were \$948 or 0.2% of Net sales for the nine months ended September 30, 2026 compared to \$1,028 or 0.3% of Net sales for the nine months ended September 30, 2025. See Note 7 “Costs Associated with Exit and Restructuring Activities” in the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for further information.

Other income and expense items are summarized in the following table:

	Nine Months Ended	
	September 30, 2026	September 30, 2025
Interest expense	\$ (2,042)	\$ (3,398)
Interest income	1,832	1,603
Other income (expense), net	12,023	665
Total other income (expense), net	\$ 11,813	\$ (1,130)

During the nine months ended September 30, 2026, Other income (expense), net is driven by the receipt of a \$12,500 representations and warranties insurance claim related to a prior acquisition. Interest expense decreased due to lower borrowings on our Revolving Credit Facility during the nine months ended September 30, 2026.

	Nine Months Ended	
	September 30, 2026	September 30, 2025
Effective tax rate	37.2%	22.5%

Our effective income tax rate was 37.2% and 22.5% for the nine months ended September 30, 2026 and 2025, respectively. The increase in the effective income tax rate is primarily attributable to the establishment of reserves related to an uncertain tax position. See Note 16 “Income Taxes” in the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for further information.

Liquidity and Capital Resources

We historically have funded our capital and operating needs primarily through cash flows from operating activities, supported by available credit under our Revolving Credit Facility (as defined below). We believe that cash flows from operating activities and available borrowings under our Revolving Credit Facility will be adequate to fund our working capital needs, capital expenditures, investments, and debt service requirements for at least the next twelve months and for the foreseeable future thereafter. However, we may choose to pursue additional equity and debt financing to provide additional liquidity or to fund acquisitions.

Cash and cash equivalents were \$143,880 at September 30, 2026, and \$82,295 at December 31, 2025, of which \$89,829 and \$75,943, respectively, were held outside the United States. Total long-term debt was \$55,000 as of September 30, 2026 and \$57,500 as of December 31, 2025.

Cash Flow Overview

Cash Flows from Operating Activities

Net cash provided by operating activities was \$94,257 during the nine months ended September 30, 2026. Components of net cash provided by operating activities included net earnings of \$54,118, depreciation and amortization expense of \$26,330, other net non-cash items of \$15,457, and a net cash outflow from changes in assets and liabilities of \$1,648.

Net cash provided by operating activities was \$72,893 during the nine months ended September 30, 2025. Components of net cash provided by operating activities included net earnings of \$45,581, depreciation and amortization expense of \$25,880, other net non-cash items of \$1,873, and a net cash outflow from changes in assets and liabilities of \$441.

Cash Flows from Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2026 was \$9,077 for capital expenditures of \$11,965 partially offset by the maturity of short-term investments of \$2,888.

Net cash used in investing activities for the nine months ended September 30, 2025 was \$12,542 for payments on capital expenditures.

Cash Flows from Financing Activities

Net cash used in financing activities for the nine months ended September 30, 2026 was \$23,177. The net cash outflow was the result of treasury stock purchases of \$15,230, dividends paid of \$3,439, net cash payments of long-term debt of \$2,500, and taxes paid on behalf of equity award participants of \$2,008.

Net cash used in financing activities for the nine months ended September 30, 2025 was \$47,404. The net cash outflow was the result of treasury stock purchases of \$39,546, taxes paid on behalf of equity award participants of \$2,675, dividends paid of \$3,583, and net cash payments of long-term debt of \$1,600.

Capital Resources

Revolving Credit Facility

Long-term debt is comprised of the following:

	As of	
	September 30, 2026	December 31, 2025
Total credit facility	\$ 300,000	\$ 300,000
Balance outstanding	55,000	57,500
Standby letters of credit	1,540	1,640
Amount available, subject to covenant restrictions	\$ 243,460	\$ 240,860

On November 24, 2025, we entered into a five-year revolving credit agreement (the “Revolving Credit Facility”) with a group of banks for a total credit facility availability of \$300,000, which may be increased by at least \$125,000 pursuant to the Revolving Credit Facility subject to the administrative agent's approval. The Revolving Credit Facility is unsecured and replaced the prior \$400,000 revolving credit facility, which would have expired on December 15, 2026. The Revolving Credit Facility matures on November 24, 2030 and modified the financial and non-financial covenants to provide the Company additional flexibility.

Borrowings in U.S. dollars under the Revolving Credit Facility bear interest, at a per annum rate equal to the applicable Term SOFR rate (but not less than 0.0%), plus the Term SOFR adjustment, plus an applicable margin, which ranges from 1.00% to 1.75%, based on our net leverage ratio. Similarly, borrowings of alternative currencies under the Revolving Credit Facility bear interest equal to a defined risk-free reference rate, plus the applicable risk-free rate adjustment plus an applicable margin, which ranges from 1.00% to 1.75%, based on our net leverage ratio. We use interest rate swaps to convert a portion of our revolving credit facility's outstanding balance from a variable rate of interest to a fixed rate. The contractual rate of these arrangements ranges from 2.45% to 3.36%.

The Revolving Credit Facility includes a swingline sublimit of \$20,000, letter of credit sublimit of \$20,000, and an alternative currency sublimit of \$150,000. We also pay a quarterly commitment fee on the unused portion of the Revolving Credit Facility. The commitment fee ranges from 0.175% to 0.25% based on our net leverage ratio. We were in compliance with all debt covenants at September 30, 2026.

Critical Accounting Policies and Estimates

The Company’s Condensed Consolidated Financial Statements are prepared in accordance with U.S. generally accepted accounting principles. In connection with the preparation of the Condensed Consolidated Financial Statements, the Company uses estimates and makes judgments and assumptions about future events that affect the reported amounts of assets, liabilities, revenue, expenses, and the related disclosures. The assumptions, estimates, and judgments are based on historical experience, current trends, and other factors the Company believes are relevant at the time it prepares the Condensed Consolidated Financial Statements.

The critical accounting policies and estimates are consistent with those discussed in Note 1, Summary of Significant Accounting Policies, to the Consolidated Financial Statements and the MD&A section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025. During and as of the three and nine months ended September 30, 2026, there were no significant changes in the application of critical accounting policies or estimates.

Significant Customers

Our net sales to customers representing at least 10% of total net sales is as follows:

	Three Months Ended		Nine Months Ended	
	September 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Toyota Motor Corporation	7.8%	10.5%	8.1%	11.5%

No other customer accounted for 10% or more of total net sales during these periods. We continue to focus on broadening our customer base to grow our non-transportation end market exposure at a faster rate.

Forward-Looking Statements

Readers are cautioned that the statements contained in this document regarding expectations of our performance or other matters that may affect our business, results of operations, or financial condition are, or may be deemed to be, “forward-looking statements” as defined by the “safe harbor” provisions in the Private Securities Litigation Reform Act of 1995. Such statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included or incorporated in this document, including statements regarding our strategy, financial position, guidance, funding for continued operations, cash reserves, liquidity, projected costs, plans, projects, awards and contracts, and objectives of management, among others, are forward-looking statements. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “continued,” “project,” “plan,” “goals,” “opportunity,” “appeal,” “estimate,” “potential,” “predict,” “demonstrates,” “may,” “will,” “might,” “could,” “intend,” “shall,” “possible,” “would,” “approximately,” “likely,” “outlook,” “schedule,” “on track,” “poised,” “pipeline,” and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements are not guarantees of future performance, conditions or results. Forward-looking statements are based on management’s expectations, certain assumptions, and currently available information. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof and are based on various assumptions as to future events, the occurrence of which necessarily are subject to uncertainties. These forward-looking statements are made subject to certain risks, uncertainties, and other factors, which could cause CTS’ actual results, performance, or achievements to differ materially from those presented in the forward-looking statements. Examples of factors that may affect future operating results and financial condition include, but are not limited to: supply chain disruptions (including, but not limited to, the availability and cost of rare earth elements, minerals and metals); changes in the economy generally, including inflationary and/or recessionary conditions and increased tariffs, and in respect to the businesses in which CTS operates; unanticipated issues in integrating acquisitions; the funding of contracts by the U.S. Government; the results of actions to reposition CTS’ business; rapid technological change; general market conditions in the transportation, as well as conditions in the industrial, aerospace and defense, and medical markets; reliance on key customers; unanticipated public health crises, natural disasters or other events; environmental compliance and remediation expenses; the ability to protect CTS’ intellectual property; pricing pressures and demand for CTS’ products; risks associated with CTS’ international operations, including trade and tariff barriers, trade pacts, including the future of the USMCA, exchange rates and political and geopolitical risks (including, without limitation, the impact of tariffs on China, Canada and Mexico, and other nations); the potential impact of U.S./China relations and the impact of geopolitical conflicts may have on our business, results of operations and financial condition; write offs of goodwill on our balance sheet; changes in existing tax laws or adoption of new tax laws; the amount and timing of any share repurchases; and the effect of any cybersecurity incidents on our business. Many of these, and other risks and uncertainties, are discussed in further detail in Item 1A. of CTS’s most recent Annual Report on Form 10-K and other filings made with the SEC. CTS undertakes no obligation to publicly update CTS’ forward-looking statements to reflect new information or events or circumstances that arise after the date hereof, including market or industry changes.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Item 7A, Quantitative and Qualitative Disclosures about Market Risk, of our Annual Report on Form 10-K for the year ended December 31, 2025. During the nine months ended September 30, 2026, there have been no material changes in our exposure to market risk.

Item 4. Controls and Procedures*Evaluation of Disclosure Controls and Procedures*

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q were effective in providing reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within CTS have been detected.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting for the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION**Item 1. Legal Proceedings**

From time to time, we are involved in litigation with respect to matters arising from the ordinary conduct of our business, and currently certain claims are pending against us. In the opinion of management, we believe we have established adequate accruals pursuant to U.S. generally accepted accounting principles for our expected future liability with respect to pending lawsuits, claims and proceedings, where the nature and extent of any such liability can be reasonably estimated based on presently available information. However, there can be no assurance that the final resolution of any existing or future lawsuits, claims or proceedings will not have a material adverse effect on our business, results of operations, financial condition, or cash flows.

See Note 9 "Commitments and Contingencies" in the Notes to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

There have been no changes to our risk factors from those contained in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On November 7, 2025, the Board of Directors approved a new share repurchase program (“2025 Repurchase Program”) that authorizes the Company to repurchase up to \$100 million of its common stock. The 2025 Repurchase Program has no set expiration date and supersedes and replaces the \$100 million repurchase program approved by the Board of Directors in February 2024.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Dollar Value of Shares That May Yet Be Purchased Under Publicly Announced Plans or Programs
July 1, 2026 - July 31, 2026	13,751	\$ 59.70	13,751	\$ 77,444,988
August 1, 2026 - August 31, 2026	12,040	\$ 57.86	12,040	\$ 76,748,379
September 1, 2026 - September 30, 2026	31,500	\$ 58.27	31,500	\$ 74,912,764
Total	57,291		57,291	

Item 5. Other Information

From time to time, our directors and officers may purchase or sell shares of our common stock in the market, including pursuant to plans intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended (“Rule 10b5-1 Plans”).

During the quarter ended September 30, 2026, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (as each term is defined in Item 408 of Regulation S-K).

On October 26, 2026, the Board of Directors (the “Board”) of CTS Corporation (the “Company”), acting upon the recommendation of the Nominating, Governance and Sustainability Committee of the Board, approved the amendment and restatement of the Company’s Amended and Restated Bylaws, effective as of such date (as amended and restated, the “2026 Amended and Restated Bylaws”).

The 2026 Amended and Restated Bylaws, among other things:

- expressly permit recesses and adjournments of meetings of shareholders;
- require additional disclosures and representations from nominating or proposing shareholders, certain associated persons and nominees;
- enhance the existing procedural mechanics in connection with shareholder nominations of directors and submission of proposals;
- require that any shareholder directly or indirectly soliciting proxies from other shareholders use a proxy card color other than white, with the white proxy card being reserved for exclusive use by the Board;
- require director nominees to make themselves available for interviews with the Board and its committees if requested;
- clarify the powers of the presiding officer of any meeting of shareholders to regulate conduct at the meeting; and
- incorporate certain administrative, modernizing, clarifying and conforming changes.

The foregoing general description of the 2026 Amended and Restated Bylaws is qualified in its entirety by reference to the full text of the 2026 Amended and Restated Bylaws, which is attached as Exhibit 3.1 to this Form 10-Q and is incorporated by reference herein.

On October 22, 2026, the Compensation and Talent Committee (the “Committee”) of the Board approved and adopted a new form of change in control severance agreement to be entered into with certain executives of the Company from time to time (the “New Severance Agreement”). Each of the following named executive officers of the Company is expected to enter into the New Severance Agreement with the Company: Kieran O’Sullivan, Pratik Trivedi, Ashish Agrawal and Mark Pacioni.

For purposes of the New Severance Agreement, a “change in control” of the Company is defined generally as: (1) the acquisition by any person of 25% or more of the Company’s voting stock, subject to certain limited exceptions; (2) the incumbent Board members ceasing to constitute a majority of the Board, subject to certain limited exceptions; (3) consummation of certain corporate transactions, such as a Company reorganization, merger or consolidation, or a sale of all or substantially all of the Company’s assets, subject to certain limited exceptions; or (4) the approval by the Company’s shareholders of a complete liquidation or dissolution of the Company, subject to certain limited exceptions; all as further described in the New Severance Agreement.

Under the New Severance Agreement, a participating executive is generally entitled to “double trigger” severance compensation, subject to applicable withholding, if, within three years after a change in control, such executive either terminates employment with the Company for “good reason” or has the executive’s employment with the Company terminated by the Company or its successor for any reason other than “cause,” disability (as defined in the New Severance Agreement) or death. Certain anticipatory terminations of the executive’s employment or service prior to a change in control may also trigger severance compensation for the executive, as further described in the New Severance Agreement.

“Good reason” for these purposes generally means: (1) the failure of the Company to maintain the executive in the executive’s current office or position (or an equivalent or better office or position); (2) a significant adverse change in the nature or scope of the executive’s authorities, powers, functions, responsibilities or duties; (3) a reduction in the executive’s base pay plus incentive pay opportunity or certain adverse changes in the executive’s other employee benefits; (4) the executive’s good faith determination that, as a result of a change in circumstances following the change in control, the executive is substantially unable to carry out, or is substantially hindered in, or has suffered a substantial reduction in the authorities, powers, functions, responsibilities or duties the executive had prior to the change in control; (5) a successor entity’s failure to assume all obligations of the Company under the New Severance Agreement; (6) the Company or its successor moves the executive’s principal work location by more than 35 miles or requires the executive to travel at least 20% more than previously required; (7) the Company or its successor materially breaches the New Severance Agreement; or (8) the Company’s stock ceases to be publicly traded or listed on the New York Stock Exchange or Nasdaq Stock Market, as applicable, or the Company ceases to have certain stock registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended; in each case, subject to applicable notice and cure requirements as described in the New Severance Agreement. “Cause” for these purposes generally means: (1) being convicted of a crime involving fraud, embezzlement or theft in connection with Company duties or responsibilities or in the course of employment; (2) intentionally and wrongfully damaging Company property; (3) intentionally and wrongfully disclosing Company confidential information; or (4) intentionally and wrongfully competing with the Company without the Company’s consent, subject to certain exceptions.

If the New Severance Agreement is triggered, the severance compensation to which the named executive officer is entitled includes: (1) a lump sum cash payment equal to two times the sum of the greater of the executive’s base salary at the time of the change in control or the executive’s average base salary over the three years prior to termination, plus the greater of the executive’s average cash incentive pay over the three years prior to the change in control and the executive’s target cash incentive pay for the year in which the change in control occurred; (2) continued availability of medical and dental benefits for 24 months following termination at the executive’s expense, with the Company reimbursing the executive, on a taxable basis, for the portion of the premium in excess of the active employee share for such coverage (or certain economically comparable benefits), provided that the obligation to provide these benefits will be terminated to the extent medical and dental benefits are provided by another employer; (3) reimbursement of up to \$30,000 for certain outplacement services; and (4) only in the case of Mr. Trivedi, in consideration of the non-compete provision contained in his New Severance Agreement, a lump sum cash payment equal to one times the sum of the greater of his base salary at the time of the change in control or his average base salary over the three years prior to termination, plus the greater of his average cash incentive pay over the three years prior to the change in control and his target cash incentive pay for the year in which the change in control occurred.

In addition, if any payments made to the executive would be subject to excise tax under the “golden parachute” rules of Sections 280G and 4999 of the Internal Revenue Code of 1986, as amended, those payments will be (1) reduced as described in the New Severance Agreement so that no portion will exceed the “excess parachute payment” threshold that would trigger the excise tax, or (2) paid in full, depending on which approach puts the executive in the best net, after-tax position with respect to the payments. Payment of severance compensation under the New Severance Agreement will be reduced to the extent of any corresponding payments under any other employment or severance agreement in existence prior to the date of the New Severance Agreement.

In general, to the extent that the executive receives severance benefits under the New Severance Agreement, the executive will be subject to a customary one-year non-competition covenant. The New Severance Agreement also imposes a four-year non-solicitation covenant, as further described in the New Severance Agreement. The executive is generally entitled to be reimbursed by the Company for legal fees incurred to enforce the executive’s rights under the New Severance Agreement. Further, the payments and benefits under the New Severance Agreement are subject to the Company’s clawback policies as in effect from time to time.

The term of each New Severance Agreement runs initially for three years, subject thereafter to an annual “evergreen” extension for one additional year, unless either the executive or the Company gives notice to the other party, not less than 90 days before the end of the term, of non-renewal of the term. If an applicable change in control of the Company occurs during the term of the New Severance Agreement, then the term will end on the later of the then-current term’s expiration date and the end of the applicable severance period under the New Severance Agreement.

Item 6. Exhibits

(31)(a) [Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)

(31)(b) [Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)

(32)(a) [Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)

(32)(b) [Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)

3.1 [Amended and Restated Bylaws of CTS Corporation](#)

101.1 The following information from CTS Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 formatted in Inline XBRL: (i) Condensed Consolidated Statements of Earnings; (ii) Condensed Consolidated Statements of Comprehensive Earnings; (iii) Condensed Consolidated Balance Sheets; (iv) Condensed Consolidated Statements of Cash Flows; (v) Condensed Consolidated Statements of Shareholders' Equity; (vi) Notes to Condensed Consolidated Financial Statements, tagged as blocks of text and including detailed tags.

104 The cover page from this Current Report on Form 10-Q formatted as inline XBRL

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CTS Corporation

/s/ Ashish Agrawal

Ashish Agrawal

Vice President and Chief Financial Officer

(Principal Financial Officer & Principal Accounting Officer)

Dated: October 27, 2026

CTS CORPORATION

AMENDED AND RESTATED BY LAWS

(Amended and Restated as of October 26, 2026)

ARTICLE I.

Officers

The officers of CTS Corporation (the “Corporation”) shall be a President, one or more Vice Presidents, a Secretary, a Treasurer and a Controller. The Board of Directors of the Corporation (the “Board of Directors”) may also elect one or more Assistant Secretaries, Assistant Treasurers and Assistant Controllers, and such other officers as may be determined, from time to time, by the Board of Directors.

The President shall be a director of the Corporation. Any offices, other than those of President and Secretary, may be held by the same person.

The officers of the Corporation shall be elected by the Board of Directors and each officer so elected shall hold office until the officer’s successor is elected and qualified or until the officer’s earlier death, resignation, or removal. Any vacancy occurring among the above offices may be filled by the Board of Directors at any regular or special meeting, and any officer so elected shall hold office until the officer’s successor is elected and qualified or until the officer’s earlier death, resignation, or removal.

ARTICLE II.

Board of Directors Organization

Section 1. The Board of Directors shall elect, from the members of the Board of Directors who satisfy the Corporation’s independence standards, an Audit Committee composed of not fewer than three members. The members of the Audit Committee shall be appointed at any regular or special meeting of the Board of Directors to serve, while qualified, at the pleasure of the Board of Directors, and until their successors have been appointed and qualified.

The Audit Committee shall report directly to the Board of Directors and, in addition to such authority and duties specifically delegated by the Board of Directors, shall have the authority to review the conduct and the report of the independent financial audit of the Corporation and shall report to the Board of Directors the findings, conclusions and recommendations of the Audit Committee regarding the conduct and report of the independent financial audit and in respect of any additional matters specified in the Audit Committee Charter.

Unless the Board of Directors designates a Chairman, a majority of the members of the Audit Committee may designate one member of the Audit Committee as Chairman of the Audit Committee to preside at all meetings of the Audit Committee.

Section 2. The Board of Directors shall elect from members of the Board of Directors, who are not officers of the Corporation, a Compensation Committee consisting of no fewer than two members. The members of the Compensation Committee shall be appointed at any regular or special meeting of the Board of Directors to serve, while qualified, at the pleasure of the Board of Directors, and until their successors have been appointed and qualified.

The Compensation Committee shall be responsible directly to the Board of Directors and, in addition to such authority and duties specifically delegated by the Board of Directors or required by law or listing requirements applicable to the Corporation, shall have authority to review, and make recommendations to the Board of Directors regarding the compensation, including fringe benefits and stock options, for the officers of the Corporation.

Unless the Board of Directors designates a Chairman, a majority of the members of the Compensation Committee may designate one member of the Compensation Committee as Chairman of the Compensation Committee to preside at all meetings of the Compensation Committee.

Section 3. The Board of Directors may designate such other Board committees with authority and responsibilities as specified by the Board of Directors,

Section 4. The Board of Directors shall designate from members of the Board of Directors, a Chairman of the Board, who shall preside at meetings of shareholders and of the Board of Directors unless the Board of Directors shall designate an officer or another director of the Corporation to do so. The Chairman of the Board shall have such additional authority as granted by the Board of Directors and shall perform such other duties as are assigned from time to time by the Board of Directors.

ARTICLE III.

Corporate Officers

Section 1. The President shall exercise specific authority and supervision over, and shall be responsible for the direction of, the business and affairs of the Corporation, subject to the direction of the Board of Directors. In addition, the President may be designated the Chief Executive Officer and, if so, shall have the additional authority and duties and responsibilities specified in these Bylaws. The President shall also perform such other duties as may be assigned from time to time by the Board of Directors. The President shall perform all the duties of the Chairman of the Board in the absence or during any disability of the Chairman.

Section 2. The Board of Directors shall designate the Chairman of the Board or the President as the Chief Executive Officer of the Corporation. In addition to other duties as an officer, the Chief Executive Officer shall exercise general authority and supervision over, and shall

be responsible for, management of the business and affairs of the Corporation, subject to the direction of the Board of Directors.

The Chief Executive Officer shall determine the organization of the officers of the Corporation, shall designate to whom such officers shall report and be responsible, and subject to the direction of the Board of Directors shall determine their respective duties and responsibilities.

Section 3. Each Vice President shall perform such duties as may be assigned from time to time by the President and shall report to and be responsible to such officer as the President shall designate. Each Vice President shall also have such additional authority and shall perform such other duties assigned from time to time, by the Board of Directors.

The Board of Directors may designate a word or words to be placed before or after the title of Vice President to indicate organizational or functional authority or duty.

Section 4. The Secretary shall attend all meetings of shareholders and Board of Directors and all committees and shall keep minutes of each meeting. The Secretary shall give proper notice of all meetings of shareholders, directors and committees, required in these Bylaws. The Secretary shall maintain proper records of ownership and transfer of the stock of the Corporation. The Secretary shall have the custody and care of the records, minutes, share transfer books, and the seal of the Corporation, shall file and take charge of all papers and documents belonging to the Corporation, shall authenticate the records of the Corporation when necessary or appropriate, and perform such other duties as may be assigned from time to time by the Board of Directors.

Section 5. The Vice President Finance/Chief Financial Officer, shall be responsible for the financial affairs of the Corporation, shall submit to the annual meeting of shareholders a statement of the financial condition of the Corporation, and whenever required by the Board of Directors, shall give account of all transactions and of the financial condition of the Corporation. The Treasurer shall report to the Vice President Finance/Chief Financial Officer. The Treasurer shall establish and maintain appropriate banking relations and arrangements on behalf of the Corporation. The Treasurer shall receive and have custody of, and shall disburse, all moneys of the Corporation, and in the name of the Corporation, shall deposit all moneys in, and disburse all moneys from, such bank, or banks, as the Board of Directors shall designate, from time to time, as the depositories of the Corporation. The Treasurer shall perform such other duties and render such services for, and on behalf of, the Corporation as may be assigned from time to time by the Vice President Finance, Chief Financial Officer.

Section 6. The Controller shall be the chief accounting officer of the Corporation and shall formulate accounting procedures to record expenses, losses, gains, assets and liabilities of the Corporation, to report and interpret results of operations of the Corporation and to assure protection of the assets of the Corporation. The Controller shall prepare and submit to the Board of Directors and the Chief Executive Officer such periodic balance sheets, profit and loss statements and other financial statements as may be required to keep such persons currently informed of the operations and the financial condition of the Corporation. The Controller shall perform such other duties assigned from time to time by the Chief Executive Officer.

Section 7. The Assistant Secretary or Secretaries, Assistant Treasurer or Treasurers, and the Assistant Controller or Controllers shall perform the duties of the Secretary, of the Treasurer and of the Controller, respectively, in the absence of those officers and shall have such further authority and perform such other duties as may be assigned.

ARTICLE IV.

Duties of Officers Delegated

In the absence or disability of any officer of the Corporation, the Board of Directors may delegate the powers and duties of any such officer to any other officer or director of the Corporation for such period of time as said Board of Directors may determine.

ARTICLE V.

Bonds

The Board of Directors or the Chief Executive Officer may require any officer, agent, or employee of the Corporation to furnish the Corporation a bond for the faithful performance of duties and for the accounting of all moneys, securities, records, or other property of the Corporation coming into the hands of such agent or employee.

ARTICLE VI.

Meetings of Shareholders

Section 1. Meetings of the shareholders of the Corporation shall be held at the place, either within or without the State of Indiana, stated in the notice of said meeting. The Board of Directors may postpone and reschedule any previously scheduled annual or special meeting of shareholders.

Section 2. The annual meeting of shareholders of the Corporation shall be held at such date, time and place as determined by the Board of Directors.

Section 3. A complete list of the shareholders entitled to vote at any shareholders' meeting, arranged in alphabetical order and containing the address and number of shares of stock so held by each shareholder who is entitled to vote at said meeting, shall be prepared by the Secretary and shall be subject to the inspection by any shareholder at the time and place of an annual meeting and at the principal office of the Corporation for five days prior thereto.

Section 4. At all shareholders' meetings a quorum shall consist of a majority of all of the shares of stock outstanding and entitled by the Amended and Restated Articles of Incorporation of the Corporation (the "Articles of Incorporation") to vote on the business to be transacted at said meeting, but a meeting composed of less than a quorum may adjourn the meeting from day to day thereafter or until some future time. Any annual or special meeting of shareholders, whether or not a quorum is present, may be adjourned or recessed from time to time by the presiding officer of the meeting to permit the further solicitation of proxies, to allow additional time to count or tabulate votes, or for any other purpose determined necessary or appropriate by the presiding

officer of the meeting. At any such adjourned or recessed meeting at which a quorum is present, the Corporation may transact any business that might have been transacted at the original meeting.

Section 5. At the annual meeting of shareholders, there shall be elected a Board of Directors, who shall hold office until the next annual meeting of shareholders and until their successors have been elected and qualified. The classes and terms of the directors shall not be governed by Indiana Code §23-1-33-6(c).

Section 6. At all shareholders' meetings, each shareholder shall be entitled to one vote in person or by proxy for each share of common stock registered in the shareholder's name on the books of the Corporation as of the record date which shall be as fixed by the Board of Directors and entitled, by the Articles of Incorporation, to vote on the business to be transacted at said meeting.

Section 7. The shareholders may be represented at any meeting thereof by their duly appointed Attorney-in-Fact provided the proxy so appointing said Attorney-in-Fact shall be filed with the Secretary prior to the meeting. Any shareholder directly or indirectly soliciting proxies from other shareholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board of Directors.

Section 8. Special meetings of shareholders of the Corporation (i) may be called by the Chairman of the Board, the President or the Board of Directors, whenever in the opinion of such person or body such meeting is necessary and (ii) shall be called by the Board of Directors, upon the written request of shareholders owning at least 15% of the then-outstanding shares of common stock of the Corporation.

Section 9. Written notice of each meeting of shareholders shall be given by the Secretary to each shareholder of record at least ten (10) days prior to the time fixed for the holding of such meeting; said notice shall state the place, day and hour and the purpose for which said meeting is called, and said notice shall be addressed to the last known place of residence of each shareholder as shown by the stock books of the Corporation. The ten days shall be computed from the date upon which said notice is deposited in the mails.

Section 10. No shares of stock shall be voted at any annual or special meeting of shareholders upon which any installment is due and unpaid or which are owned by the Corporation.

Section 11. The Chairman of the Board, or such other officer of the Corporation designated by the Board of Directors, shall call meetings of shareholders to order and shall act as presiding officer thereof. Unless otherwise determined by the Board of Directors prior to the meeting, the presiding officer of the meeting of shareholders shall also determine the order of business and have the authority in his or her sole discretion to regulate the conduct of any such meeting, including without limitation by: imposing restrictions on the persons (other than shareholders of the Corporation or their duly appointed proxies) who may attend any such shareholders' meeting, ascertaining whether any shareholder or his or her proxy may be excluded from any meeting of shareholders based upon any determination by the presiding officer, in his or her sole discretion, that any such person has unduly disrupted the proceedings thereat, determining

the circumstances in which any person may make a statement or ask questions at any meeting of shareholders, ruling on all procedural questions that may arise during or in connection with the meeting, determining whether any nomination or business proposed to be brought before the meeting has been properly brought before the meeting, adjourning, recessing or convening the meeting, and determining the time or times at which the polls for voting at the meeting will be opened and closed.

At an annual meeting of shareholders, only such business shall be conducted or considered as is properly brought before the meeting in accordance with Indiana law and the following procedures:

(a) To be properly brought before an annual meeting, business must be (i) specified in the notice of meeting (or any supplement thereto) given at the direction of the Board of Directors in accordance with Section 9 of this Article, (ii) otherwise properly brought before the meeting by the presiding officer or by or at the direction of the Board of Directors, or (iii) otherwise properly requested to be brought before the meeting by a shareholder of the Corporation in accordance with this Section 11.

(b) For business to be properly requested by a shareholder to be brought before an annual meeting, the shareholder must (i) be a shareholder of the Corporation of record at the time of the giving of the notice for such annual meeting, on the record date for the determination of shareholders entitled to notice of and to vote at the annual meeting, and at the time of the annual meeting, (ii) be entitled to vote at such annual meeting and present in person or by proxy at such meeting, and (iii) have given timely notice thereof in writing to the Secretary and otherwise complied with the procedures of this Section 11.

(c) To be timely, a shareholder's notice must be delivered or mailed to and received at the principal executive offices of the Corporation not less than 90 calendar days nor more than 135 calendar days prior to the anniversary date of the immediately preceding annual meeting; provided, however, that in the event of a public announcement that the date of the annual meeting shall be held on a date that is not within 30 days before or after such anniversary date, to be timely, notice by the shareholder must be so received not later than the close of business on the 10th calendar day following the day on which such public announcement of the date of the annual meeting is first made. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a shareholder's notice as described above. A shareholder shall not be entitled to make additional or substitute proposals of business following the expiration of the time periods set forth in this section.

(d) A shareholder's notice to the Secretary must set forth in writing the following information as to each matter the shareholder proposes to bring before the annual meeting, which information must be updated and supplemented in writing, if necessary, by delivery to the Secretary, no later than two business days after the record date for the annual meeting and not later than three business days prior to the date of the annual meeting, of such supplement or update so that the information provided or required to be provided shall be true and correct on the record date for the annual meeting and as of five business days prior to the annual meeting or any adjournment or postponement thereof: (i) a description in reasonable detail of the business desired

to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (ii) a representation that the shareholder giving the notice is a holder of record of stock of the Corporation entitled to vote at such annual meeting and intends to appear in person or by proxy at the annual meeting to present the proposed business; (iii) the text of the proposed business (including the text of any resolutions proposed for consideration); (iv) the name and address, as they appear on the Corporation's books, of the shareholder proposing such business and the current name and business address, if different, of each Shareholder Associated Person; (v) the class and number of shares or other securities of the Corporation that are owned beneficially and of record by the shareholder proposing such business and any Shareholder Associated Person, as well as the date on which such securities of the Corporation were acquired and the investment intent of such acquisition, and whether there exists any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in the securities of the Corporation by any such persons; (vi) the nominee holder for, and number of, any securities of the Corporation owned beneficially but not of record by such shareholder or Shareholder Associated Person; (vii) whether and the extent to which such shareholder or Shareholder Associated Person, directly or indirectly (through brokers, nominees or otherwise), is subject to or during the last six months has engaged in any hedging, derivative or other transaction or series of transactions or entered into any other agreement, arrangement or understanding (including any short interest, any borrowing or lending of securities or any proxy or voting agreement), the effect or intent of which is to (1) manage risk or benefit of changes in the price of securities of the Corporation for such shareholder or Shareholder Associated Person or (2) increase or decrease the voting power of such shareholder or Shareholder Associated Person in the Corporation disproportionately to such person's economic interest in the Corporation's securities; (viii) any substantial interest, direct or indirect (including, without limitation, any existing or prospective commercial, business or contractual relationship with the Corporation), by security holdings or otherwise, of such shareholder or Shareholder Associated Person, in the Corporation, other than an interest arising from the ownership of securities of the Corporation where such shareholder or Shareholder Associated Person receives no extra or special benefit not shared on a *pro rata* basis by all other holders of the same class or series; (ix) a reasonably detailed description of all actual and potential conflicts of interest of the shareholder giving the notice with the Corporation; (x) a description of all other arrangements or understandings between or among the shareholder giving the notice, and any Shareholder Associated Person, as well as the investment strategy or objective, if any, of such shareholder and each such Shareholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such shareholder and each such Shareholder Associated Person; (xi) a representation as to whether or not the shareholder giving the notice or any Shareholder Associated Person shall submit any other proposal at the meeting; (xii) the reasons why such shareholder or any Shareholder Associated Person believes that the taking of the action or actions proposed to be taken would be in the best interests of the Corporation and its shareholders; (xiii) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if such a statement were required to be filed under the Exchange Act by the shareholder giving the notice; and (xiv) to the extent known by the shareholder giving the notice, the name and address of any other shareholder supporting the proposal on the date of such notice. In addition, for proposals of business to be properly brought before an annual meeting of shareholders, such proposals of business must relate to an item of business that is a proper subject for shareholder action under the Articles of Incorporation, these

Bylaws and applicable law. If a shareholder or its duly authorized representative does not attend the meeting to present its proposal, such proposal shall be disregarded (notwithstanding that proxies in respect of such proposal may have been solicited, obtained or delivered). Notwithstanding the foregoing provisions of this paragraph, a shareholder must also comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the “Exchange Act”), with respect to the matters set forth in this paragraph. For purposes of this paragraph and Article VII, “public announcement” means disclosure in a press release reported by the Dow Jones News Service, Associated Press, or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act, or furnished to shareholders. Nothing in this paragraph shall be deemed to affect any rights of shareholders to request inclusion or proposals in the Corporation’s proxy statement in accordance with the provisions of Rule 14a-8 under the Exchange Act.

(e) For purposes of this Section 11 and Article VII, “Shareholder Associated Person” of any shareholder means (i) any person acting in concert with such shareholder, (ii) any beneficial owner of shares of stock of the Corporation as defined in Indiana Code §23-1-20-3.5, and (iii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such shareholder or such Shareholder Associated Person.

(f) At a special meeting of shareholders, only such business may be conducted or considered as is properly brought before the meeting. To be properly brought before a special meeting, business must be (i) specified in the notice of the meeting (or any supplement thereto) given by or at the direction of the Chairman of the Board, President or the Board of Directors in accordance with Section 9 of this Article or (ii) otherwise properly brought before the meeting by the presiding officer or by or at the direction of the Board of Directors.

(g) Nothing in the Bylaws shall be deemed to give any shareholder the right to include their proposal in the Corporation’s or the Board of Directors’ proxy statement.

The determination of whether any business sought to be brought before any annual or special meeting of shareholders is properly brought before such meeting in accordance with this Section 11 shall be made by the presiding officer of such meeting. If the presiding officer determines that any business is not properly brought before such meeting, he or she will so declare to the meeting and any such business shall not be conducted or considered.

ARTICLE VII.

Directors

Section 1.

(a) The property and business affairs of the Corporation shall be managed under the direction of the Board of Directors. The classes and terms of the directors shall not be governed by Indiana Code §23-1-33-6(c).

(b) Subject to the rights of the holders of preferred stock to elect any Directors voting separately as a class or series, at each annual meeting of shareholders or special meeting of shareholders held for the election of Directors, each Director shall be elected by a majority of the votes cast with respect to the Director by the shares represented in person or by proxy and entitled to vote at the meeting, provided a quorum is present; provided, however, that if the number of Director nominees exceeds the number of Directors to be elected, then each Director shall be elected by a vote of the plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of Directors, provided a quorum is present. For purposes of this Section 1, a “majority of the votes cast” means that the number of shares voted “for” a Director must exceed the number of votes cast “against” that Director (with abstentions not considered votes cast). If a Director nominee fails to receive the required vote and is an incumbent Director, the Director shall promptly tender his or her resignation to the Board of Directors, subject to acceptance or rejection by the Board of Directors. The Nominating, Governance and Sustainability Committee of the Board of Directors (the “NG&S Committee”) shall promptly consider the tendered resignation and make a recommendation to the Board of Directors whether to accept or reject the tendered resignation or determine whether other action should be taken. The Board of Directors shall act on the tendered resignation, taking into account the NG&S Committee’s recommendation, and publicly disclose (by a press release, a filing with the Securities and Exchange Commission, or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within 90 days from the date of the certification of the election results. The NG&S Committee, in making its recommendation, and the Board of Directors, in making its decision, may each consider any factors or other information it considers appropriate and relevant. The Director who tenders his or her resignation shall not participate in the recommendation of the NG&S Committee or the decision of the Board of Directors with respect to his or her resignation. If an incumbent Director’s resignation is not accepted by the Board of Directors, such Director shall continue to serve until the next annual meeting of shareholders and until his or her successor is duly elected, or his or her earlier resignation or removal. If a Director’s resignation is accepted by the Board of Directors, or if a Director nominee fails to receive the required vote and the nominee is not an incumbent Director, then the Board of Directors may fill the resulting vacancy pursuant to the provisions of Section 2 of this Article VII or may decrease the size of the Board of Directors pursuant to the provisions of this Section 1(b). Directors shall hold office for a term of one year or until their successors are elected and qualified. In case of the failure to hold the annual meeting on the date fixed herein for the same to be held, the directors shall hold over until the next annual meeting, unless prior to said meeting a special meeting of shareholders for the purpose of electing directors has been held. Subject to the rights, if any, of any series of Preferred Stock to elect additional directors under circumstances specified in the Articles of Incorporation and to the minimum and maximum number of authorized directors provided in the Articles of Incorporation, the authorized number of directors shall be as determined from time to time by the Board of Directors. The Board of Directors shall have the authority to fix the number of directors.

Section 2. Any vacancy occurring in the Board of Directors caused by resignation, death or other incapacity, shall be filled until the next annual meeting of shareholders by majority vote of the remaining members of the Board of Directors; provided, however, that if the vote of the

remaining members of the Board of Directors shall result in a tie, such vacancy shall be filled by the shareholders at the next annual meeting of shareholders or at a special meeting of shareholders called for that purpose.

Section 3. Any vacancy occurring in the Board of Directors, caused by an increase in the number of directors, shall be filled by a majority vote of the members of the Board of Directors until the next annual meeting of shareholders; provided, however, that if the vote of the members of the Board of Directors shall result in a tie, such vacancy shall be filled by the shareholders at the next annual meeting of shareholders or at a special meeting of shareholders called for that purpose. No decrease in the number of directors constituting the Board of Directors shall shorten the term of an incumbent director.

Section 4. Subject to the rights, if any, of the holders of any series of Preferred Stock to elect additional directors under circumstances specified in the Articles of Incorporation, only persons who are nominated in accordance with the following procedures shall be eligible for election at a meeting of shareholders as directors of the Corporation:

(a) Nominations of persons for election as directors of the Corporation may be made only at an annual meeting of shareholders (i) by or at the direction of the Board of Directors or (ii) by any shareholder who is a shareholder of record at the time of giving of notice for such annual meeting, on the record date for the determination of shareholders entitled to notice of and to vote at the annual meeting, and at the time of the annual meeting, who is entitled to vote for the election of directors at such meeting, who is present in person or by proxy at such meeting, who otherwise complies with the procedures set forth in this Section 4, and who has nominated a number of nominees that does not exceed the number of directors that will be elected at such annual meeting.

All nominations by shareholders must be made pursuant to timely notice in proper written form to the Secretary.

(b) To be timely, a shareholder's notice must be delivered or mailed to and received at the principal executive offices of the Corporation not less than 90 calendar days nor more than 135 calendar days prior to the anniversary date of the immediately preceding annual meeting of shareholders; provided, however, that in the event of a public announcement that the annual meeting shall be held on a date that is not within 30 days before or after such anniversary date, notice by the shareholder to be timely must be so received not later than the close of business on the 10th calendar day following the day on which such public announcement is first made. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a shareholder's notice as described above. A shareholder may not make additional or substitute nominations following the expiration of the time periods set forth in this section.

To be in proper written form, a shareholder's notice to the Secretary must set forth in writing the following information, which information must be updated and supplemented in writing, if necessary, by delivery to the Secretary, no later than two business days after the record date for the annual meeting and not later than three business days prior to the date of the annual meeting, of such supplement or update so that the information provided or required to be provided

shall be true and correct on the record date for the annual meeting and as of five business days prior to the annual meeting or any adjournment or postponement thereof: (i) the name and address, as they appear on the Corporation's books, of the shareholder giving the notice and the current name and business address, if different, of each Shareholder Associated Person and the nominee(s); (ii) a representation that the shareholder giving the notice is a holder of record of stock of the Corporation entitled to vote at such annual meeting and intends to appear in person or by proxy at the annual meeting to nominate the person or persons specified in the notice; (iii) the class and number of shares of stock or other securities of the Corporation owned beneficially and of record by the shareholder giving the notice, any Shareholder Associated Person, and the nominee(s), as well as the date on which such securities of the Corporation were acquired and the investment intent of such acquisition, and whether there exists any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in the securities of the Corporation by any such persons; (iv) the nominee holder for, and number of, any securities of the Corporation owned beneficially but not of record by such shareholder, nominee, or Shareholder Associated Person; (v) whether and the extent to which such shareholder, nominee or Shareholder Associated Person, directly or indirectly (through brokers, nominees or otherwise), is subject to or during the last six months has engaged in any hedging, derivative or other transaction or series of transactions or entered into any other agreement, arrangement or understanding (including any short interest, any borrowing or lending of securities or any proxy or voting agreement), the effect or intent of which is to (1) manage risk or benefit of changes in the price of securities of the Corporation for such shareholder, nominee, or Shareholder Associated Person or (2) increase or decrease the voting power of such shareholder, nominee, or Shareholder Associated Person in the Corporation disproportionately to such person's economic interest in the Corporation's securities; (vi) any substantial interest, direct or indirect (including, without limitation, any existing or prospective commercial, business or contractual relationship with the Corporation), by security holdings or otherwise, of such shareholder, nominee, or Shareholder Associated Person, in the Corporation, other than an interest arising from the ownership of securities of the Corporation where such shareholder, nominee, or Shareholder Associated Person receives no extra or special benefit not shared on a *pro rata* basis by all other holders of the same class or series; (vii) a description of all other arrangements or understandings between or among any of the shareholder giving the notice, any Shareholder Associated Person, and each nominee, as well as the investment strategy or objective, if any, of such shareholder and each such Shareholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such shareholder and each such Shareholder Associated Person; (viii) to the extent known by the shareholder giving the notice, the name and address of any other shareholder supporting the nominee for election or reelection as a director on the date of such shareholder's notice; (ix) such other information regarding each nominee proposed by the shareholder giving the notice as would be required to be included in a proxy statement filed in accordance with the proxy rules of the Securities and Exchange Commission had the nominee been nominated, or intended to be nominated, by the Board of Directors; (x) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if such a statement were required to be filed under the Exchange Act by the shareholder giving the notice; (xi) a reasonably detailed description of all actual and potential conflicts of interest of the shareholder giving the notice or such nominee with the Corporation; (xii) a reasonably detailed description of all direct and indirect compensation, reimbursement, indemnification, benefits and

other agreements, arrangements and understandings (written or oral and formal or informal and whether monetary or non-monetary) during the past three years, and any other relationships, between or among the shareholder giving the notice, any person acting in concert therewith, any beneficial owner, and any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such shareholder or such Shareholder Associated Person, including, without limitation all information that would be required to be disclosed pursuant to Item 404 or any successor provision promulgated under Regulation S-K if the shareholder giving the notice, any beneficial owner, or any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such shareholder or such Shareholder Associated Person on whose behalf the nomination is made, were the “registrant” for purposes of such Item and the nominee were a director or executive officer of such registrant; (xiii) the signed consent of each nominee to be named in proxy materials as a nominee and to serve as a director of the Corporation if so elected and a certification signed by the nominee that he or she is not, and shall not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation in connection with service or action as a director that has not been disclosed to the Corporation; and (xiv) a representation regarding whether such shareholder intends to solicit proxies in support of nominees other than the Corporation’s nominees in accordance with Rule 14a-19 under the Exchange Act, and, in the event that such shareholder so intends, such notice shall also set forth or include a statement that such shareholder intends to solicit the holders of shares representing at least 67% of the voting power of the Corporation’s stock entitled to vote on the election of directors in support of such director nominees other than the Corporation’s nominees.

(c) At the request of the Secretary, the Board of Directors or any duly authorized committee thereof, each candidate whom a shareholder proposes to nominate for election as a director shall, and such shareholder shall cause such nominee to, make himself or herself available for interviews with the Board of Directors and any duly authorized committee thereof within five business days of delivery of such request (or such other period as may be specified in such request).

(d) In addition, a nomination proposed to be brought by a shareholder may not be brought before a meeting if such shareholder takes action contrary to the representations made in the shareholder notice applicable to such nomination or if the shareholder notice applicable to such nomination contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein not misleading.

(e) The Board of Directors may also require any proposed nominee to furnish such other information as may reasonably be required by the Board of Directors, including such other information required to determine the eligibility and qualifications of such proposed nominee to serve as a director of the Corporation or that could be material to a reasonable shareholder’s understanding of the independence, or lack thereof, of such nominee.

(f) At the request of the Board of Directors, any person nominated by the Board of Directors for election as a director must furnish to the Secretary that information required to be set forth in a shareholder’s notice of nomination which pertains to the nominee.

(g) If a shareholder or its duly appointed representative does not attend the meeting to present its nomination, such nomination shall be disregarded (notwithstanding that proxies may

have been solicited, obtained or delivered). The presiding officer of any annual meeting shall, if the facts warrant, determine that a nomination was not made in accordance with the procedures prescribed by this Section 4, and if he or she should so determine, he or she shall so declare to the meeting and the defective nomination shall be disregarded.

(h) Notwithstanding the foregoing provisions of this Section 4, a shareholder must also comply with all applicable requirements of the Exchange Act with respect to the matters set forth in this Section 4. Additionally, without limiting the other provisions and requirements of this Section 4, unless otherwise required by law, if any shareholder (i) provides notice pursuant to Rule 14a-19(b) under the Exchange Act, and (ii) subsequently fails to comply with the requirements of Rule 14a-19(a)(2) and Rule 14a-19(a)(3) under the Exchange Act, then the Corporation shall disregard any proxies or votes solicited for such shareholder's nominees. Upon request by the Corporation, if any shareholder provides notice pursuant to Rule 14a-19(b) under the Exchange Act, such shareholder shall deliver to the Corporation, no later than five business days prior to the applicable annual meeting, reasonable evidence that it has met the requirements of Rule 14a-19(a)(3) under the Exchange Act.

(i) For purposes of this Section 4, "Shareholder Associated Person" of any shareholder means (i) any person acting in concert with such shareholder, (ii) any beneficial owner (as defined in Indiana Code §23-1-20-3.5) of shares of stock of the Corporation held of record by such shareholder, and (iii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such shareholder or such Shareholder Associated Person.

ARTICLE VIII.

Meetings of Directors

Section 1. Regular meetings of the Board of Directors shall be held without notice on the dates and at the times determined by the Board of Directors by September 30th of the prior year at a place designated in the meeting notice. Other regular meetings of the Board of Directors may be held on the dates, at the times, and at the places as may be fixed by resolution adopted by the Board of Directors or as may be otherwise determined by the Board of Directors or Board Chairman and communicated to the other members of the Board of Directors.

Section 2. Special meetings of the Board of Directors may be called by the Chairman of the Board, by the President, or by three members of the Board of Directors on twenty-four hours' notice by e-mail, telephone, facsimile or other similar medium of communication to each director, which notice shall be addressed to the last known place of business or residence of each director, and said meetings may be held either at the office of the Corporation or at such other place as may be designated in the notice of said meeting.

Whenever a special meeting of the Board of Directors shall be called, in accordance with the provisions of this section, by members of the Board of Directors, the call shall be in writing, delivered to the secretary who shall thereupon issue the notice calling said meeting.

Section 3. Not less than one-half at the whole Board of Directors, shall constitute a quorum for the transaction of any business except the filling of vacancies, but a smaller number may adjourn, from time to time, until a future date or until a quorum is secured.

For the purpose only of filling a vacancy or vacancies in the Board of Directors, a quorum shall consist of a majority of the whole Board of Directors, less the vacancy or vacancies therein.

The act of a majority at the directors present at a meeting duly called, at which a quorum is present shall be the act of the Board of Directors.

Section 4.

(a) Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if the action is taken by all directors. The action must be evidenced by one or more written consents describing the action to be taken, signed by each director, and included in the minutes or filed with the corporate records of the Corporation reflecting the action taken. Action taken under this section is effective when the last director signs the consent, unless the consent specifies a prior or subsequent effective date.

(b) Subject to satisfaction of the requirements set forth in Section 5(a), the Board of Directors may take action electronically as contemplated by the Indiana Uniform Electronic Transactions Act (“IUETA”). For the sake of clarity and avoidance of doubt, subject to the requirements of the IUETA, a written consent by the Board of Directors can be undertaken via email, or other electronic record communication, if the written consent setting forth the action to be taken is circulated to all directors via email, or other electronic record communication, and the directors indicate their approval unanimously by return email or other approved electronic record communication. The Corporation shall confirm with each director the electronic address or addresses, such as an email address or text message number, for that director to be used for purposes of sending and receiving email, text, or other electronic record communications, and for the purpose of notices to and from the Corporation and shall maintain such information as part of the Corporation’s current corporate records, which may be maintained electronically. The Corporation shall provide its electronic address, and the electronic addresses of the other members of the Board of Directors, to be used for purposes of taking such action. The Board of Directors may provide for any particular requirements, method, or means for taking action electronically and for notices to and from the Corporation and its directors, in which case the action to be taken shall be taken in accordance with such requirements, method, or means.

ARTICLE IX.

Compensation of Directors and Members of Committees

The members of the Board of Directors and members of committees of the Corporation, who are not salaried employees of the Corporation, shall receive such compensation for their services to be rendered as members of the Board of Directors, or of committees, as may, from time to time, be fixed by the Board of Directors and the compensation so fixed shall continue to be payable until the Board of Directors shall have thereafter fixed a different compensation, which it may do at any regular or special meeting.

ARTICLE X.

Certificates of Stock

Section 1. Certificates of stock shall be issued to those legally entitled thereto, as may be shown by the books of the Corporation, and shall be signed by the President and attested by the Secretary.

Section 2. The Corporation may appoint one or more transfer agents and/or registrars to issue, countersign, register, and transfer certificates representing its capital stock and signatures of the Corporation's officers and of the transfer agents on stock certificates may be facsimiles. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction on its books.

Section 3. The holder of any stock of the Corporation shall immediately notify the Corporation of any loss, theft, destruction or mutilation of the certificate for any such stock. A new certificate or certificates shall be issued upon the surrender of the mutilated certificate or, in case of loss, theft, or destruction, upon (a) delivery of an affidavit or affirmation, and (b) delivery of a bond in such sum and in such form and with such surety or sureties as the Board of Directors (by general or specific resolutions) or the President may approve, indemnifying the Corporation against any claim with respect to the certificate or certificates alleged to have been lost, stolen or destroyed. However, the Board of Directors may, in its discretion, refuse to issue new certificate or certificates, save upon the order of some Court having jurisdiction in such matters.

ARTICLE XI.

Transfer of Stock

Section 1. The stock transfer books of the Corporation may from time to time be closed by order of the Board of Directors for any lawful purpose and for such period consistent with law but not exceeding thirty (30) days at any one time, as the Board of Directors may deem advisable. In lieu of closing the stock transfer books as aforesaid, the Board of Directors may, in its discretion, fix in advance a date not exceeding seventy (70) days nor less than ten (10) days next preceding the date of any meeting of shareholders or the date for the payment of any dividend or the date for the allotment of rights or the date when any change or conversion or exchange of capital stock shall go into effect, as the record date for the determination of the shareholders entitled to notice of and to vote at any such meeting or entitled to receive any such dividend or to any such allotment of rights or to exercise the rights of any such change, conversion or exchange of capital stock; and, in such case, only such shareholders as shall be shareholders of record at the close of business on the date so fixed shall be entitled to notice of and to vote at such meeting or to receive such payment of dividend or to receive such allotment of rights or to exercise such rights as the case may be, notwithstanding any transfer of stock on the books of the Corporation after such record date fixed as aforesaid. In the event the Board of Directors fails to fix in advance the record date for the determination of the shareholders entitled to notice of and to vote at any meeting, the record date shall be the sixtieth (60th) day immediately preceding the date of such meeting and no share of

stock transferred on the books of the Corporation within ten (10) days next preceding the date of a meeting shall be voted at such meeting.

Section 2. The Corporation shall be entitled to treat the holder of record of any share or shares of stock as the legal owner thereof and accordingly shall not be bound to recognize any equitable claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, save as expressly provided in the laws of the State of Indiana.

Section 3. The assignment of any certificate of stock shall constitute an assignment to the assignee of the shares so assigned and of all dividends on the shares assigned which are declared payable as of a record date subsequent to the date the assignment is recorded on the stock record books of the Corporation.

ARTICLE XII.

Fiscal Year

The fiscal year of the Corporation shall correspond to the calendar year.

ARTICLE XIII.

Checks for Money

All checks, drafts or other orders for the payment of funds of the Corporation shall be signed by the Chairman of the Board, the President or the Treasurer, or by such other individual or individuals as may hereafter, from time to time, be designated by the Board of Directors. No check, draft or other order for the payment of funds of the Corporation shall be signed in blank, either as to the amount of the check, draft or other order, or as to the name of the payee.

ARTICLE XIV.

Dividends

The Board of Directors may declare and pay dividends out of the unreserved and unrestricted earned surplus of the Corporation. Dividends may be declared at any regular or special meeting of the Board of Directors. Dividends may be paid in cash, in property or in the shares of the capital stock of the Corporation, as provided by the Articles of Incorporation and the laws of the State of Indiana.

ARTICLE XV.

Notices

Section 1. A notice required to be given under the provisions of these Bylaws to any shareholder, director, officer and member of any committee shall not be construed to mean personal notice but may be given in writing by depositing the same in a post office or letter box in a postpaid sealed wrapper addressed to such shareholder, director, officer and member of any

committee at such address as appears upon the books of the Corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed.

Section 2. Any shareholder, director, officer and member of any committee may waive, in writing, any notice required to be given by these Bylaws, either before or after the time said notice should have been issued.

ARTICLE XVI.

Compensation of Officers

The officers of the Corporation shall receive such compensation for their services as may, from time to time, be fixed by the Board of Directors, and the compensation so fixed shall continue to be payable until the Board of Directors shall have fixed a different compensation, which it may do at any regular or special meeting.

ARTICLE XVII.

Corporate Seal

The seal of the Corporation shall be a plain circular disk having engraved thereon, near the outer edge thereof, at least the words, "CTS Corporation" and in the center thereof the word, "Seal".

ARTICLE XVIII.

Indemnification

Section 1. General. Without limiting the generality or effect of Article XI of the Articles of Incorporation, the Corporation shall, to the fullest extent to which it is empowered to do so by the Indiana Business Corporation Law (hereinafter the "IBCL"), or any other applicable laws, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), indemnify and hold harmless any person who was or is involved in any manner (including without limitation as a party or a witness), or is threatened to be made so involved, in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (hereinafter a "proceeding"), by reason of the fact that such person is or was a director or officer of the Corporation, or who is or was serving at the request of the Board of Directors as a director, officer, partner or trustee of another corporation or a partnership, joint venture, trust, employee benefit plan or other entity, whether for profit or not for profit, (any such person hereinafter an "indemnatee"), whether or not the basis of such proceeding is alleged action in an official capacity while serving as a director, or officer, against all expense, liability and loss (including attorneys' fees and expenses, judgments, settlements, penalties, fines, and excise taxes assessed with respect to employee benefit plans) actually and reasonably incurred or suffered by such person in connection therewith; provided, however, that, except as provided in Section 3 of this Article XVIII with respect to proceedings to enforce rights to indemnification, the Corporation

shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors.

Section 2. Right to Advancement of Expenses. The right to indemnification conferred in Article XVIII shall include the right to be paid by the Corporation the expenses (including, without limitation, attorneys' fees and expenses) incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the IBCL so requires, an advancement of expenses incurred by an indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Section 2 or otherwise.

The rights to indemnification and to the advancement of expenses conferred in Article XVIII shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee's heirs, executors and administrators. For purposes of Article XVIII, references to "the Corporation" shall include any domestic or foreign predecessor entity of the Corporation in a merger or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

Section 3. Right of Indemnitee to Bring Suit. If a claim under Section 1 or Section 2 of this Article XVIII is not paid in full by the Corporation within 60 calendar days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 calendar days, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (a) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (b) any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the IBCL. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or shareholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the IBCL, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or shareholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving

that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article XVIII or otherwise shall be on the Corporation.

Section 4. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article XVIII shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Corporation's Articles of Incorporation, Bylaws, agreement, vote of shareholders or disinterested directors or otherwise.

Section 5. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the IBCL.

Section 6. Vested Right to Indemnification. The right of any individual to indemnification under this Article XVIII shall vest at the time of occurrence or performance of any event, act or omission giving rise to any Proceeding and once vested, shall not later be impaired as a result of any amendment, repeal, alteration or other modification of any or all of these Bylaws. Notwithstanding the foregoing, the indemnification afforded under this Article XVIII shall be applicable to all alleged prior acts or omissions of any individual seeking indemnification hereunder, regardless of the fact that such alleged acts or omissions may have occurred prior to the adoption of these Bylaws, and to the extent such prior acts or omissions cannot be deemed to be covered by these Bylaws, the right of any individual to indemnification shall be governed by the indemnification provisions in effect at the time of such prior acts or omissions.

Section 7. Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation, or to any individual who is or was serving at the request of the Board of Directors as an employee or agent of another corporation or a partnership, joint venture, trust, employee benefit plan or other entity, whether for profit or not for profit, to the fullest extent of the provisions of these Bylaws with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

Section 8. Business Expense. Any payments made to any indemnified party under these Bylaws or under any other right to indemnification shall be deemed to be an ordinary and necessary business expense of the Corporation, and payment thereof shall not subject any person responsible for the payment, or the Board of Directors, to any action for corporate waste or to any similar action.

Section 9. Severability. If any provision or provisions of Article XVIII is or are held to be invalid, illegal, or unenforceable for any reason whatsoever: (a) the validity, legality, and enforceability of the remaining provisions of such Article (including without limitation all portions of any paragraph of such Article containing any such provision held to be invalid, illegal, or unenforceable, that are not themselves invalid, illegal, or unenforceable) shall not in any way be affected or impaired thereby and (b) to the fullest extent possible, the provisions of such Article (including without limitation all portions of any paragraph of such Article containing any such

provision held to be invalid, illegal, or unenforceable, that are not themselves invalid, illegal, or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal, or illegal, or unenforceable.

ARTICLE XIX.

Amendments

Section 1. These Bylaws may be amended, altered, repealed, or added to at (a) any regular or special meeting of the Board of Directors, or (b) at any annual or special meeting of shareholders by the affirmative vote of the holders of at least a majority of the then-outstanding shares of common stock of the Corporation.

Section 2. No amendment, alteration or addition to these Bylaws made pursuant to Article XIX, Section 1(a) shall become effective unless the same is adopted by the affirmative vote of a majority of the members of the Board of Directors.

ARTICLE XX.

Control Share Acquisitions

As provided for in Section 5 thereof, Chapter 42 of the Indiana Business Corporation Law, relating to control share acquisitions, shall not apply to control share acquisitions of shares of the Corporation made after March 3, 1987.

ARTICLE XXI.

Authorized Procedures Pursuant to Indiana Code §23-1-22-4

Section 1. In adopting any rights, options or warrants under Indiana Code §23-1-26-5 relating to any transaction or proposed transaction that would, when consummated, result in a “change of control,” the Board of Directors may include provisions requiring, for a period not to exceed three years after the later of (a) the time that, for whatever reason, “continuing directors” no longer constitute a majority of the directors of the Corporation, or (b) the time that any person becomes an “interested shareholder,” the approval of the continuing directors of the Corporation for certain actions relating to the rights, options or warrants, including without limitation, the redemption or exchange of the rights, options or warrants, or the amendment of the contracts, warrants or instruments that evidence the rights, options or warrants.

Section 2. As used in this Article, “change of control” shall have the meaning contained in Indiana Code §23-1-22-4.

Section 3. As used in this Article, “interested shareholder” shall have the meaning contained in Indiana Code §23-1-43-10, or, if the Board of Directors so elects, shall mean any person or entity who or which, together with all affiliates and associates of such person or entity, is the beneficial owner of 15% or more of the then-outstanding shares of common stock of the Corporation. The Board of Directors may, at the time of adoption of the rights, options or warrants,

provide for exceptions to the definition of “interested shareholder” in any rights, options or warrants adopted pursuant to this Article XXI, including without limitation that specified persons or entities shall not be deemed to be interested shareholders or that specified transactions shall not be deemed to cause a person to become an interested shareholder.

Section 4. As used in this Article, “continuing director” shall mean any director (a) who is not (i) an interested shareholder, (ii) an affiliate or associate of an interested shareholder or (iii) a representative or nominee of an interested shareholder, or any affiliate or associate thereof, and (b) who either (i) is a member of the Board of Directors as of the date of the issuance of the rights, options or warrants or (ii) subsequently becomes a member of the Board of Directors and whose election or nomination for election to the Board of Directors is approved or recommended by a vote of a majority of the Board of Directors, which majority includes a majority of the continuing directors then on the Board of Directors, but excluding for this clause (b)(ii) any member whose initial assumption of office occurs as a result of an actual or threatened election contest (within the meaning of Rule 14a-11 of the Exchange Act) with respect to the election or removal of members of the Board of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person or entity other than the Board of Directors.

CERTIFICATION

I, Pratik Trivedi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CTS Corporation:
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles; and
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusion about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2026

/s/ Pratik Trivedi

Pratik Trivedi

President and Chief Executive Officer

CERTIFICATION

I, Ashish Agrawal, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CTS Corporation:
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles; and
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusion about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2026

/s/Ashish Agrawal

Ashish Agrawal

Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of CTS Corporation (the Company) on Form 10-Q for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the Report), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 27, 2026

/s/ Pratik Trivedi

Pratik Trivedi

President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to CTS Corporation and will be retained by CTS Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report of CTS Corporation (the Company) on Form 10-Q for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the Report), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 27, 2026

/s/Ashish Agrawal

Ashish Agrawal

Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to CTS Corporation and will be retained by CTS Corporation and furnished to the Securities and Exchange Commission or its staff upon request.
