

Press Release

August 9, 2001

CTS CORPORATION AND PPC ELECTRONIC AG FORM COOPERATIVE PARTNERSHIP ALLIANCE TO SUPPLY INTEGRATED INTERCONNECT SOLUTIONS TO GLOBAL MARKETS

Elkhart, IN... CTS Corporation (NYSE:CTS) and PPC Electronic AG (PPC), a privately owned limited company, today announced an agreement to form a cooperative partnership Alliance for promoting and sharing the technologies and manufacturing capabilities of both companies in serving global markets. PPC, headquartered in Cham, Switzerland, is one of the world's premier printed circuit board (PCB) vendors. CTS Interconnect Systems, headquartered in Glasgow, Scotland, designs and manufactures complex press-fit and surface mount backplane assemblies and integrated interconnect systems for communications and computer equipment manufacturers worldwide .

The CTS/PPC partnership Alliance will provide customers with high-technology interconnect systems, utilizing the core competencies of complex, multilayer PCB design and manufacture, combined with backplane production and/or fully integrated interconnect assemblies from facilities in the U.S., Scotland, China and Brazil. Manufacturing in South America is the result of a previously announced cooperative partnership Alliance with Pentair, Inc., i.e., Pentair Enclosures (See joint press release dated May 18, 2001).

In addition to currently existing business opportunities, CTS and PPC will cooperate jointly in the research and development of next generation interconnect systems solutions. New technology advancement is being driven by the need for high speed and high bandwidth in communications networks. Optical PCB and backplane technologies, generated from PPC's patents-pending, will become available to OEM customers as a result of this Alliance.

The Alliance offers customers a flexible and truly global solution to vertical integration, managed through a single point of contact. This is the second announcement in CTS Interconnect Systems' program of collaborative Alliances with best-in-class partners, which together result in a core competency partnership for total interconnect system outsourcing. Additional announcements will be forthcoming as the CTS cooperative partnership Alliance program further develops.

PPC is pleased to join the CTS cooperative partnership, which offers OEMs the benefits of leading-edge technology, extensive design support and significant commercial advantage through the efficiencies of the Alliance.

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PPC Electronic AG is a world leading manufacturer of complex, high-layer count backplanes and system cards based in Cham, Switzerland. High volume production facilities with outstanding format capability are enhanced by extensive research into advanced materials and processes, particularly in the use of thin glass layers within PCBs. For additional information, please refer to <http://www.ppc-electronic.com/> or <http://www.optoboard.com/>.

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CTS Corporation is a leading designer and manufacturer of electronic components and assemblies for the communications, computer and automotive markets. The Company manufactures products in North America, Europe and Asia. The Company's stock is traded on the NYSE under the ticker symbol "CTS." For additional information, please refer to <http://www.ctscorp.com>

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