

CTS CORP
Form 424B3
September 08, 2004

**Prospectus Supplement No. 1 dated September 8, 2004
(To Prospectus dated August 20, 2004)**

CTS Corporation

**2.125% Convertible Senior Subordinated Notes due 2024
and the Common Stock Issuable Upon Conversion of the Notes**

This Prospectus Supplement No. 1 supplements information contained in the Prospectus dated August 20, 2004 covering resale by selling securityholders of our 2.125% Convertible Senior Subordinated Notes due 2024 and shares of our common stock issuable upon conversion of the notes. This Prospectus Supplement No. 1 is not complete without, and may not be delivered or utilized except in connection with, the Prospectus, including any amendments or supplements thereto. The terms of the notes are set forth in the Prospectus. Our common stock is traded on the New York Stock Exchange under the symbol CTS.

See Risk Factors beginning on page 11 of the Prospectus to read about factors you should consider before purchasing the notes or our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement. Any representation to the contrary is a criminal offense.

For more information, please see the Prospectus as amended by this Prospectus Supplement.

The date of this Prospectus Supplement No. 1 is September 8, 2004.

The information in the table appearing under the caption **Selling Securityholders** beginning on page 64 of the Prospectus is amended by adding the information below:

| Name | Aggregate Principal Amount of Notes that may be Sold(1) | Percentage of Notes Outstanding | Common Stock Owned Prior to Conversion | Common Stock Registered Hereby(1)(2) |
|------------------------------------|---|---|---|---|
| Barnet Partners, Ltd. (3) | \$480,000 | * | | 32,000 |
| Century Park Trust (3) | 90,000 | * | | 6,000 |
| St. Albans Partners Ltd. (3) | 480,000 | * | | 32,000 |
| Yield Strategies Fund I, L.P. (3) | 475,000 | * | | 31,667 |
| Yield Strategies Fund II, L.P. (3) | 475,000 | * | | 31,667 |

* Less than 1%

- (1) Amounts indicated may be in excess of the total amount registered due to sales or transfers exempt from the registration requirements of the Securities Act since the date upon which the selling securityholders provided to us the information regarding their notes.
- (2) Assumes conversion of all of the holder's notes at a conversion rate of 66.6667 shares of common stock per \$1,000 principal amount at maturity of the notes. This conversion rate will be subject to adjustment as described under **Description of Notes Conversion Rights** in the Prospectus. As a result, the amount of common stock issuable upon conversion of the notes may increase or decrease in the future.
- (3) John Wagner, the portfolio manager for this selling securityholder, has sole voting and dispositive power of its registrable securities.

Information concerning the selling securityholders may change from time to time. Any such changed information or information about other selling security holders will be set forth in one or more prospectus supplements, if required.