



press information

Embargoed until 0700

19 August 2008

Ultra Electronics Holdings plc
(“Ultra” or “the Group”)

Ultra Wins £3.2m Battlespace IT System Contract

Ultra announces that it has been awarded contracts in the UK for battlespace IT systems valued at over £3.2m.

Ultra’s SML Technologies business, based near Southampton, has been awarded a contract by the UK MoD worth £3.2m for systems which provide surveillance and protection for deployed bases used by the British Army in Afghanistan. The ISTAR systems, for which Ultra is integrating and supplying a range of equipment, are being procured against an Urgent Operational Requirement (UOR). At the heart of these systems is Ultra’s C2DB command, control and situational awareness software.

The firm, fixed price contract covers the provision of systems and associated technical services, including development. The contract is for phase one of what is planned to be a two phase programme. The first phase will be delivered in December 2008. Ultra is positioning also to undertake the second phase which requires the role out of significantly more similar equipment. This second phase is currently in the MoD approval process and could commence delivery in early 2009.

Rakesh Sharma, Managing Director of Ultra’s Information & Power Systems division, commented:

“This contract underpins Ultra’s position as a supplier of world-leading battlespace IT systems. Ultra is expert in the supply of robust systems that work reliably under the most demanding circumstances in critical operational environments. Over several years Ultra’s C2DB software has been integrated into a number of specialist projects and I am pleased that this technology is being utilised in the wider ISTAR community.”

- Ends -

Enquiries:

Ultra Electronics Holdings plc

Rakesh Sharma, Managing Director, Information & Power Systems
Andy Hamment, Group Marketing Director

020 8813 4321

www.ultra-electronics.com
information@ultra-electronics.com

Further information about Ultra:

Ultra Electronics is an internationally successful defence and aerospace company with a long, consistent track record of development and growth. Ultra businesses constantly innovate to create solutions to customer requirements that are different from and better than those of the Group's competitors. The Group has over one hundred distinct market or technology niches within its twenty one businesses. The diversity of niches enables Ultra to contribute to a large number of defence, aerospace and civil platforms and programmes and provides resilience to the Group's financial performance.

Ultra has world-leading positions in many of its niches and, as an independent, non-threatening partner, is able to support all of the main prime contractors with specialist capabilities and solutions. As a result of such positioning, Ultra's systems, equipment or services are often mission-critical to the successful operation of the platform to which they contribute. In turn, this mission-criticality secures Ultra's positions for the long term which underpin the superior financial performance of the Group. Ultra offers support to its customers through the design, delivery and support phases of a programme. Ultra businesses have a high degree of operational autonomy where the local management teams are empowered to devise and implement competitive strategies that reflect their expertise in their specific niches. The Group has a small head office and executive team that provide to the individual businesses the same agile, responsive support that they provide to customers as well as formulating Ultra's overarching, corporate strategy.

Across the Group's three divisions, the major market sectors in which Ultra operates are:

- battlespace IT, summarised as being the systems and equipment that allows coalition commanders to have an integrated, real-time picture of the disposition of friendly and enemy forces that is better than the one available to the enemy. This information superiority underpins rapid decision making which, together with effective command, control and communications, translates into military superiority. The use of battlespace IT is fundamental to the implementation of the military doctrines of 'network-centric warfare' or 'network-enabled capability' that are seen as transformational in the capability to win future battles. Expenditure on battlespace IT equipment therefore continues to represent an increasing share of the total defence budget in the main markets in which Ultra operates.
- sonar systems, expanding Ultra's traditional world-leading airborne anti-submarine warfare capability into broader activities in the underwater battlespace. These include integrated ship and submarine sonar systems, persistent seabed-deployed sensor arrays, torpedo defence and sea mine disposal systems. The fact that over forty countries have, between them, more than four hundred highly capable, stealthy submarines is continuing to focus expenditure in this sector.
- civil and military aircraft equipment, Ultra provides specialist sub-systems and equipment for military and civil aircraft. The main military aircraft programmes on which Ultra equipment is fitted continue to have political support, underpinned by consistent financial commitment. For civil aircraft, record order intake performance by all major aircraft manufacturers underpins increasing build rates for the medium term.
- specialist defence equipment, including power conversion and signature systems for naval ships and submarines. Ultra's specialist capability in high integrity controls for submarine nuclear reactors is included in this sector, for which there is continuing commitment to new platforms and the upgrade of existing boats. Ultra also supplies advanced sub-systems for modern armoured vehicles including those for electrical power management, indirect vision and weapon control. The need for increased mobility and force protection is driving a number of large military vehicle procurements in Ultra's main markets.
- specialist civil systems and equipment, including Ultra's advanced airport IT solutions. Airline passenger growth around the world is driving continuing expansion and upgrade of airport infrastructure. Ultra supplies trackside power equipment for rail transit systems, for which demand continues driven by the need to expand and upgrade rail networks. The UK market for nuclear power generation is expanding and Ultra's offering derived from its equivalent military capability is well positioned to benefit.