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press information

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Ultra Electronics Holdings plc
("Ultra" or "the Group")

ULTRA ACQUIRES CYBER SYSTEMS AND SERVICES BUSINESS FOR \$38m

Ultra announces that it has acquired Special Operations Technology, Inc. ("SOTECH") for a cash consideration of \$38.4m.

SOTECH offers turnkey communications surveillance systems, integrating proprietary and commercial-off-the-shelf data analytic tools to manage large volumes of data from mobile, fixed line and broadband networks. Customers are government agencies that support and perform global counter-terrorism and counter-narcotic missions, the geographic spread of which is rapidly increasing.

SOTECH, based in Annapolis Junction, Maryland, USA, employs over 130 staff, the majority of whom hold high-level clearances.

SOTECH offers a methodology for storing and managing massive amounts of data to identify targets of interest, combining three analytical approaches:

- data-centric: mass storage to enable analysts to search for attributes and patterns in data collected over a distributed geographic area;
- target-centric: analysing information on known targets in a limited geographic area and over a limited time period;
- voice-centric: an innovative approach to analysis that enables identification and tracking of known or potential targets with limited information.

SOTECH provides services that encompass:

- system configuration to suit the host country in which the equipment will be deployed.
- systems and software development and integration for communications networks
- the deployment, operation and maintenance of fielded systems
- operator training and the management of network operations centres

The acquisition of SOTECH will be financed using Ultra's existing facilities and is expected to be earnings-enhancing in 2012 before amortisation of intangibles. SOTECH will be part of Ultra's Information & Power Systems division.

Rakesh Sharma, Chief Executive of Ultra, commented:

"I am very pleased that we have been able to add SOTECH to the Group. This acquisition supports Ultra's strategy of growth in the transatlantic intelligence and security markets and broadens the Group's access to this US Government sector. SOTECH is an established provider of operational solutions that meet the strategic needs of the US and international governments for communications surveillance that can create actionable intelligence."

- Ends -

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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 and fifty distinct market or technology niches within its twenty six 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.