

press information

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

EXPANSION OF SONOBUOY JOINT VENTURE

Ultra and Sparton Corporation ("Sparton") jointly announce the broadening of the scope of an existing joint venture agreement between their respective subsidiaries, Undersea Sensor Systems, Inc. (USSI), and Sparton Electronics Florida, Inc. This joint venture, known as ERAPSCO, is being revised to encompass a broader range of sonobuoy types qualified for use by the US Navy and procured by most international customers. This does not affect Ultra's pre-existing multi-year agreement with the UK MoD to supply the sonobuoy designs used by the RAF.

Sonobuoys are the sensors that are dropped into the ocean from Anti-Submarine Warfare (ASW) helicopters or aircraft and are used to detect submarines acoustically.

Under this agreement, the companies will achieve operational efficiencies and will eliminate duplicated development and production engineering efforts. This will allow both Ultra and Sparton to focus on undertaking those activities in the supply chain to which they add the most value. Customers will consequently receive the most cost effective airborne ASW sensor capability that can be achieved from available budgets and sustained in the long term.

Douglas Caster, Chief Executive of Ultra, and David W. Hockenbrocht, Chief Executive of Sparton, jointly commented:

"We are pleased to have reached this agreement so that USSI and Sparton can work co-operatively. Our two companies will be able to pool their innovative ideas and manufacturing expertise and will be able to support customer ASW missions more effectively."

- Ends -

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Notes to editors:

Ultra Electronics is a group of specialist businesses designing, manufacturing and supporting electronic and electromechanical systems, sub-systems and products for defence, security and aerospace applications worldwide.

Ultra, which employs 3,000 people in the UK and North America, focuses on high integrity sensing, control, communication and display systems with an emphasis on integrated information technology solutions. The Group concentrates on obtaining a technological edge in niche markets, with many of its products and technologies being market leaders in their field.

Ultra's products and services are used on aircraft, ships, submarines, armoured vehicles, surveillance systems, airports and transport systems around the world. Ultra also plays an important role in supporting prime contractors by undertaking specialist system and sub-system integration using the combined expertise of the Group businesses.

Ultra is organised into three divisions as follows:

Aircraft & Vehicle Systems including miniature airborne compressors; high integrity software and systems; aircraft system electronics; aircraft cockpit indicators; aircraft noise and vibration control systems; airframe protection systems, armoured vehicle electronic information and control systems; human/computer interface equipment and shared working environment solutions.

Information & Power Systems including command and control systems equipment; weapons interfacing electronics; radar tracking; electro optical tracking; surveillance systems; naval data processing and distribution; airport and airline information management systems; ID card systems; naval power conversion; signature management of naval vessels; transit system power conversion and control.

Tactical & Sonar Systems including secure tactical line-of-sight radio systems, multiplexers and switches; voice communication systems; tactical data links; cryptographic equipment; active, passive and multi-static sonobuoys; sonobuoy receivers and processors; distributed surveillance sensor arrays; ship's sonar systems; acoustic countermeasure systems and ship's torpedo defence systems.