

United States  
Securities and Exchange Commission  
Washington, D.C. 20549

**FORM 8-K**

Current Report Pursuant to  
Section 13 or 15(d) of the Securities Exchange Act of 1934

November 1, 2012  
(Date of Report)

**ULTRALIFE CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State of incorporation)

**000-20852**  
(Commission File Number)

**16-1387013**  
(IRS Employer Identification No.)

**2000 Technology Parkway, Newark, New York**  
(Address of principal executive offices)

**14513**  
(Zip Code)

**(315) 332-7100**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02 Results of Operation and Financial Condition.**

Ultralife Corporation (NASDAQ: ULBI) reported an operating profit from continuing operations of \$1.8 million on revenue of \$26.2 million for the quarter ended September 30, 2012. For the third quarter of 2011, the company reported operating income from continuing operations of \$1.5 million on revenue of \$35.2 million.

Revenue was \$26.2 million, compared to \$35.2 million for the third quarter of 2011, a 26% decline. Battery & Energy Products sales declined by \$12.2 million to \$16.6 million, primarily due to the continued slowdown in the government and defense order rate for rechargeable and non-rechargeable batteries. Communications Systems sales were \$9.5 million, compared to \$6.4 million for the same period last year, an increase of 50%, reflecting shipments of SATCOM systems and the fulfillment of amplifier orders that were delayed from the second quarter.

Gross profit was \$8.2 million, or 31.4% of revenue, compared to \$9.4 million, or 26.6% of revenue, for the same quarter a year ago, an increase of 480 basis points. Battery & Energy Products' gross margin was 28.7%, a 120 basis point improvement over the 27.5% reported last year, reflecting favorable sales mix and improved 9-volt margins. Communications Systems' gross margin was 36.1%, versus 22.5% last year. The year earlier period included a \$1.1 million charge to write-off components associated with a discontinued amplifier product line. This charge reduced the total gross margin for the third quarter of 2011 by approximately 300 basis points.

Operating expenses were \$6.5 million, a decrease of \$1.4 million or 17% from \$7.8 million a year ago, primarily due to workforce reductions completed in the first half of 2012 in addition to discretionary spending cuts and lower sales commissions. As a percent of revenue, operating expenses were 24.7%, compared to 22.2% a year ago.

Operating income was \$1.8 million, a 14% increase over the \$1.5 million for the same period in 2011, reflecting the benefits of favorable sales mix, productivity gains and operating expense reductions. Operating margin was 6.7%, compared to 4.4% for the year-earlier period, an increase of 230 basis points.

Net income from continuing operations was \$1.5 million, or \$0.09 per share, compared to net income of \$1.3 million, or \$0.08 per share, for the third quarter of 2011. Net income from discontinued operations was \$0.2 million or \$0.01 per share, versus \$0.0 million or \$0.00 per share for the same quarter last year.

The information set forth in this Form 8-K and the attached exhibit is being furnished to and not filed with the Securities and Exchange Commission and shall not be deemed to be incorporated by reference in any filing under the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended, except to the extent specifically provided in any such filing.

**Item 9.01 Financial Statements, Pro Forma Financials and Exhibits.**

(a) Exhibits

99.1 Press Release of Ultralife Corporation dated November 1, 2012

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 1, 2012

**ULTRALIFE CORPORATION**

By: /s/ Philip A. Fain  
Philip A. Fain  
Chief Financial Officer & Treasurer

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## EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description</b>
99.1	Press Release of Ultralife Corporation dated November 1, 2012

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### **Ultralife Corporation Reports Third Quarter Results**

NEWARK, N.Y. – November 1, 2012 -- Ultralife Corporation (NASDAQ: ULBI) reported an operating profit from continuing operations of \$1.8 million on revenue of \$26.2 million for the quarter ended September 30, 2012. For the third quarter of 2011, the company reported operating income from continuing operations of \$1.5 million on revenue of \$35.2 million.

“In the third quarter, we remained focused on the cost effective execution of our business model to improve profitability and delivered a gross margin of 31.4% and an operating margin of 6.7%, despite lower overall revenue,” said Michael D. Popielec, Ultralife’s president and chief executive officer. “With a cost structure that is right-sized for current revenue realities, a business model that is moving in the right direction, and continued solid liquidity, we are better positioned to remain profitable during the gestation period of our new products and markets, and as we complete the transition to a more agile, new product innovation driven company.”

#### **Third Quarter 2012 Financial Results**

Ultralife completed the sale of its RedBlack Communications business on September 28, 2012 for \$2.5 million, not including a post-closing working capital adjustment. RedBlack’s results and related divestiture costs are reported as a discontinued operation. All revenue, gross margin and operating expense figures presented below represent results from continuing operations.

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Operating expenses were \$6.5 million, a decrease of \$1.4 million or 17% from \$7.8 million a year ago, primarily due to workforce reductions completed in the first half of 2012 in addition to discretionary spending cuts and lower sales commissions. As a percent of revenue, operating expenses were 24.7%, compared to 22.2% a year ago.

Operating income was \$1.8 million, a 14% increase over the \$1.5 million for the same period in 2011, reflecting the benefits of favorable sales mix, productivity gains and operating expense reductions. Operating margin was 6.7%, compared to 4.4% for the year-earlier period, an increase of 230 basis points.

Net income from continuing operations was \$1.5 million, or \$0.09 per share, compared to net income of \$1.3 million, or \$0.08 per share, for the third quarter of 2011. Net income from discontinued operations was \$0.2 million or \$0.01 per share, versus \$0.0 million or \$0.00 per share for the same quarter last year.

#### **Outlook**

Management reaffirms its outlook for 2012. Management expects high-single to low-double digit year-over-year revenue growth for its Communication Systems segment and China operations. Given the continued uncertainty in government and defense orders for the Battery & Energy Products segment, the company’s largest segment, management expects year-over-year total sales to decline by between 20% and 30%. Based on the third quarter results and the actions taken in the first half of 2012 to reduce spending and align capacity, management expects a return to operating profitability for the second half of 2012 with operating margin in the low- to mid- single digits. The magnitude of the first half operating loss is expected to result in a total year operating loss.

Management cautions that the timing of orders and shipments may cause variability in quarterly results.

#### **About Ultralife Corporation**

Ultralife Corporation serves its markets with products and services ranging from portable power solutions to communications and electronics systems. Through its engineering and collaborative approach to problem solving, Ultralife serves government, defense and commercial customers across the globe.

Headquartered in Newark, New York, the company’s business segments include: Battery & Energy Products and Communications Systems. Ultralife has operations in North America, Europe and Asia. For more information, visit [www.ultralifecorp.com](http://www.ultralifecorp.com).

This press release may contain forward-looking statements based on current expectations that involve a number of risks and uncertainties. The potential risks and uncertainties that could cause actual results to differ materially include: uncertain global economic conditions, increased competitive environment and pricing pressures, disruptions related to restructuring actions and delays. The Company cautions investors not to place undue reliance on forward-looking statements, which reflect the Company’s analysis only as of today’s date. The Company undertakes no obligation to publicly update forward-looking statements to reflect subsequent events or circumstances. Further information on these factors and other factors that could affect Ultralife’s financial results is included in Ultralife’s Securities and Exchange Commission (SEC) filings, including the latest Annual Report on Form 10-K.

**Conference Call Information**

Ultralife will hold its third quarter earnings conference call today at 10:00 AM ET. To participate, please call (800) 915-4836, identify yourself and ask for the Ultralife call. The conference call will also be broadcast live over the Internet at <http://investor.ultralifecorp.com>. To listen to the call, please go to the web site at least fifteen minutes early to download and install any necessary audio software. For those who cannot listen to the live webcast, a replay of the webcast will be available shortly after the call at the same location.

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ULTRALIFE CORPORATION  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
(In Thousands, Except Per Share Amounts)  
(Unaudited)

	Three-Month Periods Ended		Nine-Month Periods Ended	
	September 30, 2012	October 2, 2011	September 30, 2012	October 2, 2011
<b>Revenues:</b>				
Battery & energy products	\$ 16,633	\$ 28,834	\$ 52,238	\$ 84,321
Communications systems	9,548	6,370	20,150	21,910
<b>Total revenues</b>	<u>26,181</u>	<u>35,204</u>	<u>72,388</u>	<u>106,231</u>
<b>Cost of products sold:</b>				
Battery & energy products	11,863	20,905	39,762	66,098
Communications systems	6,099	4,939	13,347	14,799
<b>Total cost of products sold</b>	<u>17,962</u>	<u>25,844</u>	<u>53,109</u>	<u>80,897</u>
<b>Gross profit</b>	8,219	9,360	19,279	25,334
<b>Operating expenses:</b>				
Research and development	1,596	2,294	5,706	6,913
Selling, general, and administrative	4,869	5,521	16,041	17,775
<b>Total operating expenses</b>	<u>6,465</u>	<u>7,815</u>	<u>21,747</u>	<u>24,688</u>
<b>Operating income (loss)</b>	1,754	1,545	(2,468)	646
<b>Other income (expense):</b>				
Interest income	1	2	4	4
Interest expense	(97)	(126)	(316)	(444)
Miscellaneous	(15)	49	17	339
<b>Income (loss) from continuing operations before income taxes</b>	<u>1,643</u>	<u>1,470</u>	<u>(2,763)</u>	<u>545</u>
Income tax provision-current	120	67	387	134
Income tax provision -deferred	55	55	50	164
<b>Total income taxes</b>	<u>175</u>	<u>122</u>	<u>437</u>	<u>298</u>
<b>Net income (loss) from continuing operations</b>	1,468	1,348	(3,200)	247
<b>Discontinued operations:</b>				
Income (loss) from discontinued operations, net of tax	200	4	178	(4,174)
<b>Net income (loss)</b>	1,668	1,352	(3,022)	(3,927)
Net loss attributable to noncontrolling interest	11	11	31	39
<b>Net income (loss) attributable to Ultralife</b>	<u>\$ 1,679</u>	<u>\$ 1,363</u>	<u>\$ (2,991)</u>	<u>\$ (3,888)</u>
<b>Other comprehensive income (loss):</b>				
Foreign currency translation adjustments	(204)	(19)	(81)	268
<b>Comprehensive income (loss) attributable to Ultralife</b>	<u>\$ 1,475</u>	<u>\$ 1,344</u>	<u>\$ (3,072)</u>	<u>\$ (3,620)</u>
<b>Net income (loss) attributable to Ultralife common shareholders - basic</b>				
Continuing operations	\$ 0.09	\$ 0.08	\$ (0.18)	\$ 0.02
Discontinued operations	\$ 0.01	\$ 0.00	\$ 0.01	\$ (0.24)
<b>Total</b>	<u>\$ 0.10</u>	<u>\$ 0.08</u>	<u>\$ (0.17)</u>	<u>\$ (0.22)</u>
<b>Net income (loss) attributable to Ultralife common shareholders - diluted</b>				
Continuing operations	\$ 0.09	\$ 0.08	\$ (0.18)	\$ 0.02
Discontinued operations	\$ 0.01	\$ 0.00	\$ 0.01	\$ (0.24)
<b>Total</b>	<u>\$ 0.10</u>	<u>\$ 0.08</u>	<u>\$ (0.17)</u>	<u>\$ (0.22)</u>
<b>Weighted average shares outstanding - basic</b>	17,418	17,313	17,390	17,295
<b>Weighted average shares outstanding - diluted</b>	<u>17,418</u>	<u>17,341</u>	<u>17,390</u>	<u>17,295</u>

ULTRALIFE CORPORATION  
CONSOLIDATED BALANCE SHEETS  
(In Thousands, Except Per Share Amounts)  
(unaudited)

ASSETS	September 30, 2012	December 31, 2011
<b>Current assets:</b>		
Cash and cash equivalents	\$ 5,371	\$ 5,486
Trade accounts receivable, net	20,254	19,903
Inventories	33,092	34,967
Prepaid expenses and other current assets	2,638	3,877
Total current assets	<u>61,355</u>	<u>64,233</u>
<b>Property and equipment</b>	12,375	12,588
<b>Other assets:</b>		
Goodwill, intangible and other assets	21,599	23,994
Total Assets	<u>\$ 95,329</u>	<u>\$ 100,815</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Short-term debt and current portion of long-term debt	\$ -	\$ -
Accounts payable	11,930	13,766
Other current liabilities	7,729	9,392
Total current liabilities	<u>19,659</u>	<u>23,158</u>
<b>Long-term liabilities:</b>		
Other long-term liabilities	4,431	4,431
<b>Shareholders' equity:</b>		
Ultralife equity:		
Common stock, par value \$0.10 per share	1,883	1,874
Capital in excess of par value	173,416	172,309
Accumulated other comprehensive loss	(1,066)	(985)
Accumulated deficit	(95,271)	(92,280)
	<u>78,962</u>	<u>80,918</u>
Less -- Treasury stock, at cost	7,658	7,658
Total Ultralife equity	71,304	73,260
Noncontrolling interest	(65)	(34)
Total shareholders' equity	<u>71,239</u>	<u>73,226</u>
Total Liabilities and Shareholders' Equity	<u>\$ 95,329</u>	<u>\$ 100,815</u>