

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>SCHMITZ WILLIAM A</u>  (Last) (First) (Middle) <u>2000 TECHNOLOGY PARKWAY</u>  (Street) <u>NEWARK NY 14513</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ULTRALIFE BATTERIES INC [ ULBI ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Operating Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>03/03/2004</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, \$.10 par value	03/03/2004		M		16,000	A	\$6.125	21,000	D	
Common Stock, \$.10 par value	03/03/2004		S		16,000	D	\$21.5229	5,000	D	
Common Stock, \$.10 par value	03/03/2004		M		15,000	A	\$7.375	20,000	D	
Common Stock, \$.10 par value	03/03/2004		S		15,000	D	\$21.5229	5,000	D	
Common Stock, \$.10 par value								300	I	By Spouse

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V		(A)	(D)						Date Exercisable
Options <sup>(1)</sup>	\$6.125	03/03/2004		M		16,000	(2)	12/17/2005	Common Stock, \$.10 par value	20,000 <sup>(2)</sup>	\$0	4,000 <sup>(2)</sup>	D	
Options <sup>(1)</sup>	\$7.375	03/03/2004		M		15,000	(3)	06/02/2006	Common Stock; \$.10 par value	25,000 <sup>(3)</sup>	\$0	10,000 <sup>(3)</sup>	D	

**Explanation of Responses:**

- 1. Option = Option to purchase Common Stock, \$.10 par value
- 2. This option vests as follows: 4,000 shares on 12/17/2000; 4,000 shares on 12/17/2001; 4,000 shares on 12/17/2002; 4,000 shares on 12/17/2003 and 4,000 shares on 12/17/2004
- 3. This option vests as follows: 5,000 shares on 6/2/2001; 5,000 shares on 6/2/2002; 5,000 shares on 6/2/2003; 5,000 shares on 6/2/2004; 5,000 shares on 6/2/2005

**Remarks:**

Peter F. Comerford by  
Authority of William A. Schmitz      03/04/2004

\*\* Signature of Reporting Person      Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

CONFIRMING STATEMENT

This Statement confirms that the undersigned, WILLIAM A. SCHMITZ has authorized and designated either Peter F. Comerford or Robert Fishback to execute and file on the undersigned's behalf Form 3's, Form 4's or Form 5's with the U.S. Securities and Exchange Commission through and until, December 31, 2004, that the undersigned is required or entitled to file with the U.S. Securities and Exchange Commission as a result of changes in the undersigned's ownership of securities of Ultralife Batteries, Inc. The undersigned acknowledges that Peter F. Comerford or Robert Fishback are not assuming any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

Date: February 13, 2004

/s/ William A. Schmitz  
WILLIAM A. SCHMITZ