

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

May 3, 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 loss from continuing operations of \$1.3 million on revenue of \$27.5 million for the quarter ended April 1, 2012. For the first quarter of 2011, the company reported an operating loss from continuing operations of \$3.9 million on revenue of \$27.9 million.

Revenue was \$27.5 million, compared to \$27.9 million for the first quarter of 2011, a 1% decline. 2011 revenue included a \$2.7 million charge related to the DCAA settlement. Communications Systems sales were \$7.4 million, compared to \$3.7 for the same period last year, an increase of \$3.8 million or 102%, reflecting the company's broader focus on large, global modernization opportunities which resulted in higher amplifier shipments. Battery & Energy Products sales declined by \$4.2 million or 17% to \$20.1 million, due to the completion of large telematics orders in 2011 and, to a lesser extent, a slower government and defense order rate for rechargeable and non-rechargeable batteries.

Gross profit was \$6.6 million, or 24.0% of revenue, compared to \$4.4 million, or 15.8% of revenue, for the same quarter a year ago, an increase of 820 basis points. Battery & Energy Products' gross margin increased by 710 basis points to 19.6% from 12.5% in 2011 reflecting last year's DCAA charge and the impact of unfavorable manufacturing variances resulting from lower production levels in 2012. Communications Systems' gross margin decreased by 170 basis points to 35.7%, due to some large project volume pricing.

Operating expenses were \$7.9 million, a decrease of \$0.5 million from \$8.4 million a year ago, benefiting from ongoing trimming of general and administrative expenses partially offset by increased selling expenses associated with the expansion of the sales force to increase geographic coverage and penetrate new markets. As a percent of revenue, operating expenses were 28.7%, compared to 29.9% a year ago.

Operating loss was \$1.3 million in the first quarter of 2012, compared to an operating loss of \$3.9 million for the same period in 2011, driven by the gross margin improvement and lower operating expenses as a percent of revenue.

Net loss from continuing operations was \$1.4 million, or \$0.08 per share, compared to \$3.9 million, or \$0.22 per share, for the first quarter of 2011. Net loss from discontinued operations was \$0.1 million, or \$0.01 per share, compared to a net loss of \$1.9 million, or \$0.11 per share, for the same quarter last year.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits. The following exhibit is being furnished as part of this Report.

<b>Exhibit Number</b>	<b>Description</b>
99.1	Press Release of Ultralife Corporation dated May 3, 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: May 3, 2012

**ULTRALIFE CORPORATION**

By: /s/ Peter F. Comerford  
Peter F. Comerford  
Vice President of Administration and  
General Counsel

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**EXHIBIT INDEX**

**Exhibit  
Number**

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**Description**

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99.1 Press Release of Ultralife Corporation dated May 3, 2012

**Company Contact:**Ultralife Corporation**Philip Fain****(315) 332-7100**pfain@ulbi.com**Investor Relations Contact:**Lippert/Heilshorn & Associates**Jody Burfening****(212) 838-3777**jburfening@lhai.com**Ultralife Corporation Reports First Quarter Results****Company Introduces Multi-Kilowatt Module Large Format Battery Systems**

NEWARK, N.Y. – May 3, 2012 -- Ultralife Corporation (NASDAQ: ULBI) reported an operating loss from continuing operations of \$1.3 million on revenue of \$27.5 million for the quarter ended April 1, 2012. For the first quarter of 2011, the company reported an operating loss from continuing operations of \$3.9 million on revenue of \$27.9 million.

“Whereas Communications Systems’ first quarter revenue rebounded, increasing 102% over last year on the strength of some recent large project wins, continued softness in our Battery & Energy Products business caused us to make some reductions in our domestic manufacturing capacity and inventory to better align with current demand. During this transition period, we experienced negative manufacturing variances which resulted in the first quarter operating loss,” said Michael D Popielec, Ultralife’s president and chief executive officer. “We reduced inventory by almost 10% since the beginning of the year and also ended the quarter with cash of \$4.3 million and no outstanding debt.”

“During the quarter we continued to advance new product initiatives, demonstrating our GenSet Eliminator™ to more domestic and international customers and including a key new modular component, the Ultralife Multi-Kilowatt Module (MKM™) large format battery. We have shipped our first order for a MKM™ system to a major defense integrator that has also placed a follow-up order. The expected traction from our new product introductions along with anticipated improvements in sales force productivity keep us in position to achieve our full year objectives,” said Popielec.

**First Quarter 2012 Financial Results**

As previously announced, Ultralife intends to divest its RedBlack Communications business. As a result, RedBlack’s results, which had previously been reported in the Communications Systems segment, and related divestiture costs have been reclassified as a discontinued operation. In addition, during the second quarter of 2011, Ultralife completed the exit of the Energy Services business. Prior year results for the Energy Services segment are also included in discontinued operations. All revenue, gross margin and operating expense figures presented below represent results from continuing operations.

Revenue was \$27.5 million, compared to \$27.9 million for the first quarter of 2011, a 1% decline. 2011 revenue included a \$2.7 million charge related to the DCAA settlement. Communications Systems sales were \$7.4 million, compared to \$3.7 for the same period last year, an increase of \$3.8 million or 102%, reflecting the company’s broader focus on large, global modernization opportunities which resulted in higher amplifier shipments. Battery & Energy Products sales declined by \$4.2 million or 17% to \$20.1 million, due to the completion of large telematics orders in 2011 and, to a lesser extent, a slower government and defense order rate for rechargeable and non-rechargeable batteries.

Gross profit was \$6.6 million, or 24.0% of revenue, compared to \$4.4 million, or 15.8% of revenue, for the same quarter a year ago, an increase of 820 basis points. Battery & Energy Products’ gross margin increased by 710 basis points to 19.6% from 12.5% in 2011 reflecting last year’s DCAA charge and the impact of unfavorable manufacturing variances resulting from lower production levels in 2012. Communications Systems’ gross margin decreased by 170 basis points to 35.7%, due to some large project volume pricing.

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**Introduction of Multi-Kilowatt Module Battery Systems**

Ultralife has introduced its new Multi-Kilowatt Module (MKM™) product line, a series of innovative, large format Lithium Ion rechargeable battery systems designed for energy storage and back-up and remote power across a broad range of commercial and military applications. The MKM™ product line incorporates Ultralife’s SmartCircuit™ technology, providing safe, long-term operation, and allows for charging using either AC power or alternative energy sources like solar. The long cycle life of Ultralife’s Lithium Ion battery systems makes the MKM™ product line an ideal choice for commercial applications such as bulk energy storage, uninterruptible power supply devices, medical equipment and motive power, in addition to a multitude of government and defense applications that demand long-lasting, smaller and lighter-weight power solutions.

“New product development, utilizing our Lithium Ion battery and engineering expertise, is the cornerstone of our go-forward strategy. Like the GenSet Eliminator™, the MKM™ was internally designed and provides an ideal platform to broaden our portfolio and further penetrate commercial and defense markets. We are continuing to develop MKM™ models that will feature enhanced flexibility to facilitate integration into larger systems with state-of-the-art wireless communication capabilities to monitor battery state of charge, cycles and overall system performance,” said Popielec.

**Outlook**

Management confirmed its previous guidance of year-over-year revenue growth approaching double digits with operating income growth expected to outpace revenue growth and generate an operating margin of approximately 7% to 7.5%. 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 first 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	
	April 1, 2012	April 3, 2011
<b>Revenues:</b>		
Battery & energy products	\$ 20,082	\$ 24,248
Communications systems	7,419	3,667
<b>Total revenues</b>	<u>27,501</u>	<u>27,915</u>
<b>Cost of products sold:</b>		
Battery & energy products	16,139	21,207
Communications systems	4,769	2,294
<b>Total cost of products sold</b>	<u>20,908</u>	<u>23,501</u>
<b>Gross profit</b>	6,593	4,414
<b>Operating expenses:</b>		
Research and development	2,139	2,505
Selling, general, and administrative	5,743	5,845
<b>Total operating expenses</b>	<u>7,882</u>	<u>8,350</u>
<b>Operating income (loss)</b>	(1,289)	(3,936)
<b>Other income (expense):</b>		
Interest income	1	1
Interest expense	(104)	(156)
Miscellaneous	52	299
<b>Income (loss) from continuing operations before income taxes</b>	<u>(1,340)</u>	<u>(3,792)</u>
Income tax provision-current	79	4
Income tax provision-deferred	12	54
<b>Total income taxes</b>	<u>91</u>	<u>58</u>
<b>Net income (loss) from continuing operations</b>	(1,431)	(3,850)
<b>Discontinued operations:</b>		
Income (loss) from discontinued operations, net of tax	(71)	(1,853)
<b>Net income (loss)</b>	(1,502)	(5,703)
Net (income) loss attributable to noncontrolling interest	-	13
<b>Net income (loss) attributable to Ultralife</b>	<u>\$ (1,502)</u>	<u>\$ (5,690)</u>
<b>Other comprehensive income (loss):</b>		
Foreign currency translation adjustments	148	227
<b>Comprehensive income (loss) attributable to Ultralife</b>	<u>\$ (1,354)</u>	<u>\$ (5,463)</u>
<b>Net income (loss) attributable to Ultralife common shareholders - basic</b>		
Continuing operations	\$ (0.08)	\$ (0.22)
Discontinued operations	\$ (0.01)	\$ (0.11)
<b>Total</b>	<u>\$ (0.09)</u>	<u>\$ (0.33)</u>
<b>Net income (loss) attributable to Ultralife common shareholders - diluted</b>		
Continuing operations	\$ (0.08)	\$ (0.22)
Discontinued operations	\$ (0.01)	\$ (0.11)
<b>Total</b>	<u>\$ (0.09)</u>	<u>\$ (0.33)</u>
<b>Weighted average shares outstanding - basic</b>	<u>17,358</u>	<u>17,276</u>
<b>Weighted average shares outstanding - diluted</b>	<u>17,358</u>	<u>17,276</u>





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

ASSETS	April 1, 2012	December 31, 2011
<b>Current assets:</b>		
Cash and cash equivalents	\$ 4,307	\$ 5,486
Trade accounts receivable, net	18,469	19,903
Inventories	31,788	34,967
Prepaid expenses and other current assets	4,012	3,877
Total current assets	<u>58,576</u>	<u>64,233</u>
<b>Property and equipment</b>	12,200	12,588
<b>Other assets:</b>		
Goodwill, intangible and other assets	<u>23,888</u>	<u>23,994</u>
Total Assets	<u>\$ 94,664</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	\$ 19	\$ -
Accounts payable	8,994	13,766
Other current liabilities	8,909	9,392
Total current liabilities	<u>17,922</u>	<u>23,158</u>
<b>Long-term liabilities:</b>		
Other long-term liabilities	<u>4,430</u>	<u>4,431</u>
<b>Shareholders' equity:</b>		
Ultralife equity:		
Common stock, par value \$0.10 per share	1,878	1,874
Capital in excess of par value	172,745	172,309
Accumulated other comprehensive loss	(837)	(985)
Accumulated deficit	(93,782)	(92,280)
	<u>80,004</u>	<u>80,918</u>
Less -- Treasury stock, at cost	7,658	7,658
Total Ultralife equity	<u>72,346</u>	<u>73,260</u>
Noncontrolling interest	(34)	(34)
Total shareholders' equity	<u>72,312</u>	<u>73,226</u>
Total Liabilities and Shareholders' Equity	<u>\$ 94,664</u>	<u>\$ 100,815</u>