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

Date of Report (Date of earliest event reported):

July 30, 2009

ULTRALIFE CORPORATION

(Exact name of registrant as specified in its charter)

<u>Delaware</u>

(State or other jurisdiction of incorporation or organization)

<u>0-20852</u> <u>16-1387013</u> (Commission File Number) (I.R.S. Employer Identification No.)

2000 Technology Parkway, Newark, New York 14513 (Address of principal executive offices) (Zip Code)

(315) 332-7100

(Registrant's telephone number, including area code)

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:
☐ 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))

Item 2.02. Results of Operations and Financial Condition.

Ultralife Corporation (the "Company") reported results for the second quarter ended June 28, 2009.

Revenue for the second quarter was \$39.6 million compared to \$87.9 million for the same quarter last year, a \$48.3 million decline attributable to lower advanced communications systems revenue. Revenue in the second quarter of 2008 included \$61.9 million of advanced communications systems revenue related primarily to orders received in the latter part of 2007 that were fulfilled during 2008. Partially offsetting the lower advanced communications systems revenue was a \$5.8 million increase in rechargeable products revenue and a \$1.2 million increase in non-rechargeable products revenue. Gross margin for the second quarter declined to 17.1% from 23.5% for the comparable quarter last year, reflecting the lower contribution of higher margin advanced communications systems revenue. Included in the second quarter 2009 cost of products sold was a \$1.8 million increase in the inventory reserve following the evaluation of lower of cost or market considerations as a result of current economic conditions.

The Company also revised its outlook for 2009 revenue and now expects 2009 fiscal year revenue to be between \$180 million and \$210 million and operating profit for the second half of the year to be between \$1 million and \$10 million.

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.

Dated: July 30, 2009.

99.1 Press Release dated July 30, 2009.

SIGNATURE

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.

ULTRALIFE CORPORATION

By: /s/John C. Casper

Vice President of Finance & CFO

INDEX TO EXHIBITS

(99) Additional Exhibits

99.1 Press Release dated July 30, 2009.

Ultralife Corporation Reports Second Quarter Results

NEWARK, N.Y.--(BUSINESS WIRE)--July 30, 2009--Ultralife Corporation (NASDAQ: ULBI) today reported results for the second quarter ended June 28, 2009.

Revenue for the second quarter was \$39.6 million compared to \$87.9 million for the same quarter last year, a \$48.3 million decline attributable to lower advanced communications systems revenue. Revenue in the second quarter of 2008 included \$61.9 million of advanced communications systems revenue related primarily to orders received in the latter part of 2007 that were fulfilled during 2008. Partially offsetting the lower advanced communications systems revenue was a \$5.8 million increase in rechargeable products revenue and a \$1.2 million increase in non-rechargeable products revenue. Gross margin for the second quarter declined to 17.1% from 23.5% for the comparable quarter last year, reflecting the lower contribution of higher margin advanced communications systems revenue. Included in the second quarter 2009 cost of products sold was a \$1.8 million increase in the inventory reserve following the evaluation of lower of cost or market considerations as a result of current economic conditions.

Operating expenses for the second quarter of 2009 totaled \$13.1 million compared to \$10.7 million for the same quarter last year. The \$2.4 million increase includes approximately \$1.2 million of non-recurring expenses and the addition of the AMTI business acquired in March 2009. These non-recurring expenses include \$0.7 million related to consolidation actions, including various severance payments, and \$0.5 million of legal expenses related to the successful resolution of a litigation matter. Operating loss for the second quarter was \$6.3 million compared to operating income of \$9.9 million for the second quarter last year. Net loss for the second quarter was \$7.0 million, or \$0.41 per share, compared to net income for the second quarter of 2008 of \$6.4 million, or \$0.36 per share.

For the six-month period ended June 28, 2009, revenue was \$79.4 million compared to \$137.5 million for the same period a year ago. Operating loss amounted to \$8.6 million compared to operating income of \$12.3 million for the first half of 2008. Net loss for the first half of 2009 was \$9.5 million, or \$0.56 per share, compared to net income of \$8.8 million, or \$0.50 per share, for the same period a year ago.

"Ongoing delays in the release of government/defense orders have limited our revenue in the first half of 2009. In addition, our standby power business is performing below plan due to the economic downturn which has caused customers and prospects to defer capital spending and resulted in intense price competition," said John D. Kavazanjian, president and chief executive officer. "These delays in order flow have put pressure on our operating profitability. In light of the first half of the year's operating losses, we have cast a critical eye on the business, examining every facet of our operations, and identified various cost savings and efficiencies. As a result, we have taken actions to lower our manufacturing cost base and reduce current quarterly operating expenses by at least 10% to approximately \$11 million by the end of the year. These actions are intended to drive operational improvements to become more efficient and realign our cost structure with current quarterly revenue levels.

"Although the orders for advanced communications systems have not yet come through, as the Government Furnished Equipment provider for the M-ATV and other programs, we continue to expect that we will receive some level of orders during the second half of the year," concluded Kavazanjian. "Demand remains strong in our battery and communications products businesses and we are setting the stage for long-term growth through investments in more complex products and enhancements in our standby power services business while enforcing strict cost controls."

Outlook

As a result of the delays in receiving government/defense orders, management has revised its outlook for 2009 revenue and now expects fiscal year revenue between \$180 million and \$210 million. Based on an estimate of revenue for the second half of the year between \$100 million and \$130 million, management expects operating profit for the second half of the year to range between \$1 million and \$10 million.

About Ultralife Corporation

Ultralife Corporation, which began as a battery company, now serves its markets with products and services ranging from portable and standby 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.

Ultralife's family of brands includes: Ultralife Batteries, Stationary Power Services, RPS Power Systems, ABLE, McDowell Research, RedBlack Communications and AMTI. Ultralife's operations are in North America, Europe and Asia. For more information, visit 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: worsening 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.

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

Recognosive products 10,307 4,490 24,161 11,20 Communications systems 6,60 61,948 10,303 8,00 9,00 79 Total revenue 3,750 3,750 3,750 3,750 3,750 3,750 3,750 73,750 <th< th=""><th></th><th></th><th colspan="3">Three-Month Periods Ended</th><th colspan="4">Six-Month Periods Ended</th></th<>			Three-Month Periods Ended			Six-Month Periods Ended			
Non-rechargeable products \$ 18,925 \$ 17,099 \$ 3,447 \$ 24,161 11.20 Rechargeable products 6,661 6,661 3,763 9,301 8,00 Design and installation services 3,763 3,763 9,301 7,9 Total revenues 3,503 3,763 9,301 7,9 Total revenues 15,568 15,488 29,318 27,0 Rechageable products 5,568 15,548 18,735 3,2 Rechageable products 5,466 45,058 8,622 63,1 Rechageable products 5,466 45,058 8,622 63,1 Rechageable products 5,466 45,058 8,623 63,1 Rechageable products 3,309 20,628 14,561 31,55 Rechageable products 3,309 20,628 14,561 31,55 Gradious products selected 3,209 20,628 14,561 31,55 16,568 18,548 18,54 18,54 14,561 31,55 18,541 18,54		:		J		J			
Recognoble products 10.307 4.490 24.161 11.20 Communications systems 6.60 61.948 10.373 8.50 Design and installation services 3.750 3.753 9.901 7.97 Total revenue 3.503 3.758 7.93 7.93 Cost of products sold: 3.200 15.448 28.318 2.70 Rechargeshle products 3.202 3.650 18.73 6.03 Communications systems 5.426 45.205 8.622 6.03 Commandial and services 3.203 3.650 18.622 6.31 Cross argin 6.720 20.628 14.561 3.15 Cross margin 6.720 20.628 14.561 3.15 Cross margin 6.720 20.628 14.561 3.15 Cross margin 2.514 2.137 4.944 3.5 Search and development 2.514 2.137 4.944 3.2 Sessaria presentia expression controlles 1.52 4.94 1.5	Revenues:								
Communications systems 6,601 6,1946 1,033 8,08 Design and installation services 3,760 3,76 9,70 7,73 9,10 7,70 Cost of products self- Tomographale products 15,568 15,448 28,118 27,0 Rechageable products 8,320 15,548 28,218 29,20 62,20	•	\$		\$		\$		\$	32,315
Post of products solf:									11,228
Total revenues	ž								
Non-schargeable products Search argeable products sold Search argeable products Search argeable products sold Search argeable products Search ar									7,942 137,485
Non-rechargeable products 15,588 13,448 28,188 2.70 Rechargeable products 3,689 18,762 6.22 6.31 Design and installation services 3,243 45,205 8,622 6.31 Design and installation services 32,813 6,727 64,835 10,53 Gross margin 6,809 20,628 14,561 31,55 Gross margin 2,514 2,137 4,946 3,25 Poperating expenses 2,514 2,137 4,948 15,4 Selling, general, and administrative 10,591 5,544 18,649 15,4 Selling, general, and administrative 10,591 5,542 18,649 15,4 Operating income (loss) (6,525) 9,337 (8,522) 12,3 Operating income (loss) 10,591 2,514 1,54 1,54 Tillinetes income 1 2 4 2 4 1,54 1,54 1,54 1,54 1,54 1,54 1,54 1,54 1,54 <t< td=""><td>Total revenues</td><td></td><td>33,333</td><td></td><td>07,030</td><td></td><td>73,330</td><td></td><td>137,403</td></t<>	Total revenues		33,333		07,030		73,330		137,403
Rectangeable products 8.30 3.69 1.75 9.25 Communications systems 3.499 2.948 9.159 6.63 Total cost of products old 3.293 2.727 6.835 10.59 Gross nargin 6.80 32.813 67.270 6.835 10.59 Gross nargin 8.20 3.20 4.494 3.7 Selling esperal, and adevelopment 2.514 2.137 4.494 3.7 Selling, general, and administrative 31.305 1.599 8.582 1.849 1.34 Total operating income (loss) 3.1305 1.599 8.582 1.849 1.34 Total operating income (loss) 3.1305 1.599 8.582 1.23 Operating income (loss) 3.1305 1.599 1.593 1.593									
Communications systems 54,26 45,205 68,22 68,11 Design and installation services 32,813 67,270 64,835 10,505 Gross margin 6,780 20,628 14,561 31,55 Operating expenses: 2 25,144 2,137 4,494 3,73 Selling, general, and administrative 10,591 8,554 18,649 18,24 Selling, general, and administrative 6,325 9,337 0,852 12,33 Operating income (loss) 0,325 9,337 0,852 12,33 Operating income (espense): 3 1 1 2 4 4,494 3,7 3,13 1,23 1,									27,008
Bestign and installation services 3.498 2.948 9.159 6.66 Total cost of products sold 32,813 6.720 6.835 10.59 Gross margin 32,813 6,270 6,435 10.59 Cross margin 20,822 20,822 20,823 3.75 Cherrating expenses 25,14 2,137 4,494 3.75 Seling, general, and adevelopment 25,14 2,137 4,494 3.75 Seling, general, and administrative 13,105 10,601 23,143 13,24 Italiance and cevelopment 2,131 10,601 23,143 13,24 Italiance and development and administrative 13,105 10,601 23,143 13,24 Oberating income (loss) 3,135 10,601 23,143 13,24 13,24 Oberating income (loss) 3,135 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,132 2,13									9,206
Total cost of products sold 32,813 67,270 64,835 10,505 Gross margin 6,788 20,628 14,561 31,553 Operating expenses: 32,514 2,137 4,494 3.7,533 Selling, general, and administrative 10,591 8,554 11,604 15,434 Total operating expenses 13,105 10,691 23,133 12,32 Operating income (loss) 6,325 9,337 0,852 12,33 Operating income (loss) 6,325 9,337 0,852 12,33 Other income (expense): 3 3 0,852 12,33 Other income (expense): 3 1 2 4 1 3 1,2									6,630
Cross margin 6,780 20,628 14,561 31,50 Operating expenses: Research and development 2,514 2,137 4,494 3,7 Selling, general, and administrative 10,591 8,554 18,649 15,4 Total operating expenses 13,105 1,6991 23,143 19,2 Operating income (loss) (6,325) 9,937 (8,582) 12,3 Other income (expense): 2 1 2 4 4 1,3 1,2 4 4 1,2 3 4 9 1,2 3 4 1 2 4 4 1,2 4 1 2 4 4 1 2 4 4 1,2 4 1 2 4 4 1,2 3 4 4 2 3 3 2 2 4 2 3 3 2 2 4 2 3 3 3 3 3 3 3 3 3<									105,982
Nesearch and development Search and	Total cost of products sold		32,013		07,270		04,033		103,302
Research and development Selling, general, and administrative 2,514 (1,52) 2,137 (1,52) 4,444 (1,54) 3.7 (1,54) 1,54	Gross margin		6,780		20,628		14,561		31,503
Selling general, and administrative 10,591 8,554 18,649 15,44 10,40 10,4									
Total operating expenses 13,105 10,691 23,143 19,20									3,746
Operating income (loss) (6,325) 9,937 (8,582) 12,38 Other income (expense): The state income	5.5								
Other income (expense): Interest income 1 2 4 Interest expense (350) (240) (532) (532) Gain on insurance settlement - - - - - - 3 Gain on insurance settlement - - - - - - 3 3 Miscellaneous (209) 40 (198) 1 1 1 - - - - - 3 3 1 1 2 4 1 18 1 1 - <td< td=""><td>total operating expenses</td><td></td><td>13,105</td><td></td><td>10,091</td><td></td><td>23,143</td><td></td><td>19,203</td></td<>	total operating expenses		13,105		10,091		23,143		19,203
Interest income	Operating income (loss)		(6,325)		9,937		(8,582)		12,300
Interest expense G350 G240 G332 G5 G361 on insurance settlement G361 on debt conversion G361 on debt conversion G361 on debt conversion G362 G363									
Gain on insurance settlement Gain on debt conversion -									13
Gain on debt conversion Miscellaneous Commet (209) 40 (198) 1 Income (loss) before income taxes (6,883) 9,739 (9,308) 12,2 Income tax provision-current - 264 2 3 Income tax provision-deferred 95 3,095 184 3,0 Total income taxes (6,978) 6,380 (9,494) 8,8 Net income (loss) (6,978) 6,380 (9,494) 8,8 Net income (loss) attributable to Ultralife \$ (6,964) \$ 6,395 \$ (9,476) \$ 8,8 Net income (loss) attributable to Ultralife common shareholders - basic \$ (0,41) \$ 0,37 \$ (0,56) \$ 0.3 Net income (loss) attributable to Ultralife common shareholders - diluted \$ (0,41) \$ 0,37 \$ (0,56) \$ 0.3 Weighted average shares outstanding - basic 16,894 17,309 17,024 17,10			(350)		(240)		(532)		(569) 39
Miscellaneous C209			-		-		-		313
Income (loss) before income taxes (6,883) 9,739 (9,308) 12,20 Income tax provision-current 264 2 3 Income tax provision-deferred 95 3,095 184 3,0 Total income taxes 95 3,359 186 3,4 Net income (loss) (6,978) 6,380 (9,494) 8,8 Net loss attributable to noncontrolling interest 14 15 18 Net income (loss) attributable to Ultralife \$ (6,964) \$ (6,964) \$ (6,958) \$ (9,476) \$ (8,881) Net income (loss) attributable to Ultralife common shareholders - basic \$ (0.41) \$ (0.37) \$ (0.56) \$ (0.56) Net income (loss) attributable to Ultralife common shareholders - diluted \$ (0.41) \$ (0.36) \$ (0.56) \$ (0.56) Weighted average shares outstanding - basic 16,894 17,309 17,024 17,124 17,124 17,125			(209)		40		(198)		109
Income tax provision-deferred 95 3,095 184 3,0 17,024 17,109 17,024 17,100 17,024							<u> </u>		12,205
Income tax provision-deferred 95 3,095 184 3,0 17,024 17,109 17,024 17,100 17,024	Income tay provision-current		_		264		2		318
Total income taxes 95 3,359 186 3,44 Net income (loss) (6,978) 6,380 (9,494) 8,8 Net loss attributable to noncontrolling interest 14 15 18 Net income (loss) attributable to Ultralife \$ (6,964) \$ 6,395 \$ (9,476) \$ 8,8 Net income (loss) attributable to Ultralife common shareholders - basic \$ (0,41) \$ 0.37 \$ (0.56) \$ 0. Net income (loss) attributable to Ultralife common shareholders - diluted \$ (0,41) \$ 0.36 \$ (0.56) \$ 0. Weighted average shares outstanding - basic 16,894 17,309 17,024 17,124	•		95						3,086
Net loss attributable to noncontrolling interest 14 15 18 Net income (loss) attributable to Ultralife \$ (6,964) \$ (6,395) \$ (9,476) \$ 8,8 Net income (loss) attributable to Ultralife common shareholders - basic \$ (0.41) \$ 0.37 \$ (0.56) \$ 0. Net income (loss) attributable to Ultralife common shareholders - diluted \$ (0.41) \$ 0.36 \$ (0.56) \$ 0. Weighted average shares outstanding - basic 16,894 17,309 17,024 17,1	·								3,404
Net income (loss) attributable to Ultralife \$ (6,964) \$ 6,395 \$ (9,476) \$ 8,8 Net income (loss) attributable to Ultralife common shareholders - basic \$ (0.41) \$ 0.37 \$ (0.56) \$ 0. Net income (loss) attributable to Ultralife common shareholders - diluted \$ (0.41) \$ 0.36 \$ (0.56) \$ 0. Weighted average shares outstanding - basic 16,894 17,309 17,024 17,1	Net income (loss)		(6,978)		6,380		(9,494)		8,801
Net income (loss) attributable to Ultralife common shareholders - basic Net income (loss) attributable to Ultralife common shareholders - diluted \$\frac{0.41}{\$}\$\$ \frac{0.41}{\$}\$\$ \frac{0.37}{\$}\$\$ \frac{0.56}{\$}\$\$ 0.56	Net loss attributable to noncontrolling interest		14		15		18		28
Net income (loss) attributable to Ultralife common shareholders - basic Net income (loss) attributable to Ultralife common shareholders - diluted \$\frac{0.41}{\$}\$\$ \frac{0.41}{\$}\$\$ \frac{0.37}{\$}\$\$ \frac{0.56}{\$}\$\$ 0.56	Net income (lecc) attributable to Ultralife	¢	(6.064)	¢	6 205	¢	(0.476)	¢	8,829
Net income (loss) attributable to Ultralife common shareholders - diluted \$ (0.41) \$ 0.36 \$ (0.56) \$ 0. Weighted average shares outstanding - basic 16,894 17,309 17,024 17,1	Net income (1988) attributable to Otrame	<u> </u>	(0,504)	Φ	0,353	.	(9,470)	Ф	0,029
Net income (loss) attributable to Ultralife common shareholders - diluted \$ (0.41) \$ 0.36 \$ (0.56) \$ 0. Weighted average shares outstanding - basic 16,894 17,309 17,024 17,1	Net income (loss) attributable to Ultralife common shareholders - basic	\$	(0.41)	\$	0.37	\$	(0.56)	\$	0.51
	Net income (loss) attributable to Ultralife common shareholders - diluted	\$		\$		\$		\$	0.50
			· · · ·			===	· · ·		
Weighted average shares outstanding - diluted 16,894 17,708 17,024 17,7	Weighted average shares outstanding - basic	_	16,894		17,309		17,024		17,155
	Weighted average shares outstanding - diluted		16,894		17,708		17,024		17,770

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

ASSETS	June 28, 2009	December 31, 2008			
Current assets: Cash and investments Trade accounts receivable, net Inventories Prepaid expenses and other current assets Total current assets	\$ 1,175 30,587 51,223 1,980 84,965	\$	1,878 30,588 40,465 2,242 75,173		
Property and equipment	18,250		18,465		
Other assets Goodwill, intangible and other assets	 39,448		35,949		
Total Assets	\$ 142,663	\$	129,587		
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities: Short-term debt and current portion of long-term debt Accounts payable Other current liabilities Total current liabilities Long-term liabilities: Long-term debt and capital lease obligations Other long-term liabilities Total long-term liabilities	\$ 24,514 20,449 10,790 55,753 4,562 4,732 9,294	\$	1,425 20,255 10,556 32,236 4,670 4,528 9,198		
Shareholders' equity: Ultralife equity: Common stock, par value \$0.10 per share Capital in excess of par value Accumulated other comprehensive income (loss) Accumulated deficit Less Treasury stock, at cost Total Ultralife equity Noncontrolling interest Total shareholders' equity Total Liabilities and Shareholders' Equity	\$ 1,826 168,635 (1,057) (84,256) 85,148 7,558 77,590 26 77,616		1,815 167,259 (1,930) (74,780) 92,364 4,232 88,132 21 88,153		
Total Liabilities and Shareholders' Equity	\$ 142,663	\$	129,587		

CONTACT:

Company Contact:

<u>Ultralife Corporation</u> John C. Casper, 315-332-7100 <u>jcasper@ulbi.com</u>

or

Investor Relations Contact:

<u>Lippert/Heilshorn & Associates, Inc.</u> Jody Burfening, 212-838-3777 jburfening@lhai.com