



press release

Embargoed until 0700

02 November 2018

Ultra Electronics Holdings plc (“Ultra” or “the Group”)

Ultra divests its Airport Systems business to ADB SAFEGATE for £22 million

Ultra announces that it has agreed to sell its Airport Systems business to ADB SAFEGATE for a total consideration of £22m, of which £2m is deferred. The deferred payment will be made following the transfer of certain commercial contracts. The transaction proceeds will be retained and used for general corporate purposes.

Assuming satisfaction of all closing conditions, the transaction is expected to complete by 31 January 2019.

Airport Systems provides specialised IT software solutions to improve the operational performance of airports and airlines. These solutions are installed in approximately 150 airports and are in-service with 100 airlines internationally.

For the year ended 31 December 2017, the Airport Systems business recorded revenues of £18.9m and operating profit of £3.2m after allocation of central overheads. The disposal will be marginally dilutive to the Group’s earnings for the year ending 31 December 2019. The gross assets of the Airport Systems business were £7.2m as at 31 December 2017. Depending on when the transaction completes, it will result in either a goodwill write down or accounting loss on disposal of approximately £8m. Further details will be provided in the Group’s 2018 Annual Report & Accounts.

Simon Pryce, Chief Executive Officer of Ultra, commented:

“Although Airport Systems has been a part of Ultra for some time, it has little customer, process or technology commonality with the rest of the Group. As part of our focus on long term sustainable value creation and after conducting an appropriate process, we have therefore concluded that a sale of Airport Systems to ADB SAFEGATE is the best long term solution for Airport Systems customers, employees and other stakeholders and represents good value for Ultra.”

– End –

Enquiries:

Ultra Electronics Holdings plc

Simon Pryce, Chief Executive Officer
Amitabh Sharma, Group Finance Director

Susan McErlain, Corporate Affairs Director
James White, MHP Communications

020 8813 4307
www.ultra-electronics.com

07836 522722
020 3128 8756

Further information about Ultra:

Ultra Electronics is a group of businesses which manage a portfolio of specialist capabilities, generating highly differentiated solutions and products in the defence & aerospace, security & cyber, transport and energy markets by applying electronic and software technologies in demanding and critical environments to meet customer needs.

Ultra has world-leading positions in many of its specialist capabilities and, as an independent, non-threatening partner, is able to support multiple prime contractors in each of its sectors. Ultra's systems, equipment or services are often mission or safety-critical to the successful operation of the platform to which they contribute. In turn, this mission-criticality secures Ultra's positions for the long term which underpins the financial performance of the Group.

Ultra offers support to its customers through the design, delivery and support phases of a programme. Ultra businesses have a high degree of operational autonomy where the local management teams are empowered to devise and implement competitive strategies that reflect their expertise in their specific niches. The Group has a flat structure and small head office and executive team that provide to the individual businesses the same agile, responsive support that the businesses provide to their customers. In addition this team formulates Ultra's overarching, corporate strategy.

Further information about ADB SAFEGATE:

ADB SAFEGATE offers a complete range of solutions for increased safety, efficiency and sustainability to airports, airlines and ANSPs worldwide. Its portfolio tackles every aspect of airport traffic handling, airfield lighting, tower-based traffic control systems, gate and docking automation, services and advanced analytics for improved airport performance. ADB SAFEGATE supports more than 2,500 airports, from the busiest to the fastest growing airports, in 175 countries. With over 1,100 employees across 25 countries, ADB SAFEGATE is a one-stop provider of complete solutions for airport performance, from approach to departure.