

EMS

TECHNOLOGIES 660 Engineering Drive | Technology Park/Atlanta | Norcross, GA 30092



2008 EMS TECHNOLOGIES ANNUAL REPORT

Connecting

An *Ever-Changing* World.

THE WORLD IS CHANGING – at an unprecedented pace. Yet, given the advances in communications technologies, it is connected as well. EMS Technologies is delivering a multitude of connectivity solutions, enabling communication across land, sea and sky, making possible mobility, visibility, and intelligence – for a fast-paced, information-driven, ever-changing world.

((•))
A corporate jet bound for Oslo

((•))
The Internet surfed en route to Detroit

((•))
A data-capture at a cold storage facility in Baltimore

((•))
A text message sent from high above Shreveport

((•)) An F-22 on maneuvers over the Atlantic

A commercial flight landing in Caracas

((•))

((•))
A news reporter tracked on the outskirts of Lima

((•))
A freighter en route to Brazil.

((•))

Live TV accessed 30,000 feet above Munich

((•))

A cargo truck tracked through Ghana

((•))

An emergency alert sent from Nairobi

((•))

A B-2 over the Arabian Sea

((•))

A sea rescue in the Indian Ocean

Perishable goods being monitored en route to Beijing

((•))

A retail inventory check in Nagasaki

((•))

((•))

Shipping containers loading in Hong Kong

((•))

Better control of vehicle performance from Indonesia

((•))

An international flight bound for Sydney

((•))

A container unloaded in Port Elizabeth

Connecting

A Dynamic World.

In these times of economic uncertainty, business travelers in particular are finding it increasingly important to be connected. A solution: an innovative in-flight broadband service that allows passengers' PDAs and laptops to communicate as seamlessly in flight as they do on the ground. EMS Formation is helping to make possible this in-cabin connectivity – designing, manufacturing and producing hardware required for this solution, including advanced wireless access points (WAPs) and avionics-class servers for providers such as Aircell, LiveTV and Rockwell Collins. It is a remarkable advance in airborne communications. It is an opportunity for EMS Technologies.



Cold Storage Down Cold

Cold storage facilities create unique challenges for data collection systems – with obstacles such as condensation, fog, ice, and corrosion. EMS, through its LXE division, delivers a complete line of cold chain solutions, built specifically to combat these problems. From innovative vehicle-mount computers to wireless networks, EMS has created the standard for inventory tracking and control in cold storage facilities.

A Move Toward Safety

A global media organization needs to track its news crews operating in high-risk areas of the world. So they turn to EMS Satamatics for a portable solution that tracks and monitors personnel on a user-defined, periodic, real-time basis. The terminal, equipped with an alarm and remote panic button feature, can increase its reporting frequency to one-minute intervals in emergency situations. It is an ideal solution – tracking, protecting, and allowing the organization to meet its responsibilities for employee safety.



In-Flight Connections

Aircraft flying today – whether corporate, commercial or military – have a need to stay connected. Working with partners, EMS SATCOM is providing satellite communications systems that make this in-flight connectivity possible, so passengers and personnel can communicate with their offices, homes, headquarters and more – via voice, SMS text messaging, the Internet and even videoconferencing.

Enabling Our Soldiers

For U.S. and coalition soldiers, being aware of a situation is critical to success in any battle. EMS antenna and beam management systems bring connectivity to the battle space in the air, on the ground, and on the sea. We connect F-22 fighter jets to a more unified fighting force. We connect surveillance aircraft to forces on the ground. We bring sonar data back from forward-looking helicopters to protect our ships. It's better technology, for better awareness – for a more secure world.

Aero Pointing Up

With its acquisition of Formation, EMS is strengthening its leadership in aero-connectivity, continuing a strategy of becoming a more comprehensive solutions provider. With multiple solutions in satellite and air-to-ground (ATG), EMS is well positioned to meet the growing demand for aeronautical communications – from airlines, to business aircraft owners, to government organizations.



By combining engineering expertise and technologies, EMS can now provide a broad array of air-connectivity solutions, delivering systems airlines want across multiple platforms.

—Nim Evatt, EMS Formation
David Smith, Defense & Space

VISIBILITY

Connecting

Connecting A Far-Reaching World

Every week, oil companies use helicopters to safely shuttle thousands of people to and from oil platforms in the Gulf of Mexico, the North Sea, Alaska, and other areas. Traveling as far out as 250 miles across an open sea, these helicopters are equipped with satellite-based tracking systems – over 90 percent of which are provided by EMS Sky Connect.

Whether it's search-and-rescue capability for the offshore oil industry, or voice and tracking solutions for other aircraft, ships and vehicles needing assured communications, people and assets worldwide are more visible and safe – thanks to advanced aero-connectivity from EMS Technologies.

Mounting A Lead

In 2008, EMS acquired Sweden-based Akerstroms Trux, solidifying EMS's LXE business involving vehicle-mount computers (VMCs) used in warehousing and distribution environments. By adding Trux's Windows XP-based technology to its existing CE-based solutions, LXE is now able to offer both standards, strengthening the company's position in the growing VMC market.

Technology With A Catch

Tuna-fishing fleets are always looking for ways to maximize their catches and minimize their costs. Gathering data via temperature sensors located on thousands of floating buoys, they are using EMS Satamatics satellite technology to transmit the data from the buoys to fishing vessels, where the captain can better determine where potential catch may be.

A Force In Tracking

With troops deployed around the world, the U.S. military has a critical need to track its forces reliably. To that end, a new EMS SATCOM packet data terminal is now being used by the military to enable enhanced force tracking capabilities. The Iridium-based device, which operates anywhere in the world, is proving to be a key element to U.S. global military operations and their success.

Critical Technology For Critical Defense

The U.S. Armed Forces needed an advanced antenna for the next-generation Joint Air-to-Ground Missile (JAGM) program and the new Small Diameter Bomb. EMS Defense & Space, partnering with Lockheed Martin, was chosen to provide the enhanced antenna system that will allow the missile radar to penetrate bad weather and other elements for enhanced precision strike, regardless of launch platform.



Sky Is The Limit

The acquisition of Sky Connect enhances EMS's role in the global market for asset tracking, making possible significant synergies with its current satellite-based helicopter and aircraft tracking services. The strategic acquisition also provides inroads into the Iridium voice market, thereby strengthening even further EMS's technological leadership in the asset-tracking and emergency management areas.

EMS is well-positioned to leverage knowledge, technology and products across its satellite platforms and divisions. With engineers cross-collaborating, sharing intellectual property, and building upon existing technologies, EMS expects to create strong competitive advantages.

—Stephen Silverman, EMS Sky Connect
Joanne Walker, EMS SATCOM



Connecting

An Information-Driven World.

Every day, non-government organizations deliver food and supplies to remote, needy areas of the world. What can be a logistics nightmare is made easier and safer due to land tracking solutions from EMS Satamatics. EMS systems can monitor a vehicle's ignition and report on operational efficiency. For security, panic buttons can automatically generate emails and/or SMS messages to designated contacts. Organizations can also create "geo fences" to monitor when a vehicle deviates from an approved route. With the ability to track and send information, employees and assets are offered greater protection, costs are reduced, and those who are in need of help can be located.



Safe At Sea

U.S. naval ships protect our freedom in oceans around the world, but they are under a constant threat. To help keep them safe, EMS Defense & Space radio frequency electronics enable the search radar of the Phalanx ship protection system to see incoming missiles and surface vehicles, providing crucial intelligence to the ship's battle control systems. EMS is helping to make possible a safer sea – and, as a result, a safer world.

Indirect Success

LXE wanted to grow its business by reaching more customers. But, instead of adding more sales people, and more expense, LXE signed an agreement with ScanSource, an industry-leading distributor. The agreement is another significant step in the development of LXE's indirect business channels – a sector that has now grown to represent more than half of the division's revenues.

Extreme Reliability

Standard disk drives are specified to work at altitudes of up to 10,000 feet – not nearly high enough for many avionics data storage needs. That's why EMS Formation designed ToughDisks™, rugged hard disks built for extreme environments – specified for performance at altitudes of up to 85,000 feet, able to operate under intense pressure, temperature, shock and vibration. It is innovation – taken to a higher level.

Intelligence Now

Military missions have often been slowed, and even compromised, by the process of gathering intelligence and having to return with it to headquarters. Now, using high-speed data systems made possible by EMS SATCOM, this critical information – whether voice, email, text or video – can be transmitted from anywhere, at anytime, enabling those in command at headquarters to make better, more timely decisions.



Intelligence Via M2M

For wide-area and remote communications where terrestrial networks are unavailable, low-rate data satellite is an ideal solution.

Acquiring Satamatics extended EMS's satellite capabilities into the growing machine-to-machine (M2M) market, further strengthening EMS's solutions for gathering field intelligence from both mobile and semi-fixed assets.



There are great opportunities for cross-divisional collaboration and innovation across EMS's existing and new businesses. Working together, EMS will have the capability to make products better, get to markets faster, and capture more business from its customers – all while operating more efficiently.

—Dino Koutrouki, EMS Satamatics
Bill Roeder, LXE

As we enter 2009, we do so from a position of strength and with a commitment to growth and financial integrity that will continue to set us apart and earn the trust and support of shareholders and financial and business leaders worldwide.

Dear Shareholders

We live in extraordinary times.

The crisis in the banking and financial industries has created considerable uncertainty throughout the global markets and particularly among investors. As a result of the present turbulent conditions, investors have elected a flight to quality – selectively seeking out only those companies that show solid growth potential, and those that are posting solid track records, healthy balance sheets, and accelerating EBITDA performance.

Investors are demanding well seasoned, highly experienced corporate managers who understand how to foster growth, responsibly and predictably over time. Investors are insisting on managements that have demonstrated a steady hand and a disciplined approach to capturing market share and creating value.

The decisions and policies of your Board and Management have been carefully conceived to achieve these important goals. During these extraordinary times, our management team, lead by CEO, Paul Domorski, has guided the operations of EMS with exceptional precision and determination, not submitting to the ‘doom and gloom’ atmosphere that so heavily pervades the minds and decisions of many corporate executives these days. Instead, management has been meeting the challenge of growing your company’s earnings, protecting shareholder value, and, at the same time, bringing together the strategic assets that are key to expanding EMS market share in our core growth areas.

As a result, EMS Technologies has taken the lead in several of its key markets, and has become well positioned to now leverage its operations to much greater levels.

Notwithstanding the current economic environment, we as a company have chosen to ‘opt-out’ as far as the ‘bunker mentality’ is concerned, and instead, have set our focus on identifying and pursuing the fertile array of opportunities

that predictably surface during troubled and uncertain times. Many owners and investors prefer to hold cash, rather than operating assets, during periods of uncertainty and economic dislocation. EMS has taken the opposite course and has successfully capitalized on this unique phenomena, which seems to come around every decade or so.

At a time when the financial/ investment cycle ‘boom’ was reaching what we thought was an over-extended phase, your Board elected to pursue a strategy of restructuring the balance sheet by divesting two underperforming operating assets, and engaging in a timely sale of additional equity to insure that EMS would be in a strong financial position...not only to weather any difficult economic times, but also to be well poised to pursue the acquisitions that we felt would offer compatibility, synergy and significant value to EMS’s business model.

In 2008, EMS’s balance sheet and strong cash position afforded us the opportunity to make strategic acquisitions in the aero-broadband, tracking, and communications markets. Accordingly, the acquisitions we made in 2008 are expected to add \$70 to \$80 million dollars in new revenue over 2009. These acquisitions will effectively augment our current capabilities and greatly extend our access to global markets in airline transport, passenger communications and military systems.

Last year, I spoke of our “unusual technical savvy,” and our ability to bring various disciplines together within the company to solve complex problems. Significant technical achievements have been made, and I can say without exception, EMS now leads the world in advanced communications and satellite technology. We have become one of the leading sources for government and industry and are now recognized for our extraordinary talent and our engineering excellence.

Just as important are some of the more intangible elements that are at work within EMS that do not show up in our financial statements nor are they reported in our filings...our ability to engineer and manage growth in a highly intelligent way. As we all know, it is one thing to promise growth – it is yet another to manage that growth intelligently with purpose and solid financial performance. Paul and his team have executed extremely well, and we have grown and, we believe, have successfully met our commitments to our customers, our partners and to you, our shareholders.

Strong leadership is not always easy to measure, but I know it when I see it. Our CEO, since joining EMS in 2006, has been a steady and highly disciplined leader, a leader who clearly knows where he is going. He and his team have managed EMS with great purpose and focus, consistently delivering on the company’s financial plan and ‘on the mark’ with investor guidance each quarter.

I feel the market is recognizing this important leadership and good stewardship, rewarding its shareholders by steadily increasing the enterprise value of EMS Technologies. Our market leadership position in aerospace and broadband communications continues to garner greater visibility in major media and market venues, as well as throughout the investment community. The world is discovering EMS – and, it is certainly evident that leaders in government, business and the financial community like what they see.

Through it all, you, our shareholders have remained loyal and true to our cause and our vision – to build a world-class company based on world-class technology and capabilities. We have both a strong Board and solid Management in place to do just that.

2009 will no doubt continue to be a year of financial distress and uncertainty

in the global markets. Our commitment to you, the shareholder, is to be a beacon of management excellence with predictable, sustainable growth. We will continue to work hard and smart in an effort to deliver the same results you have come to expect since our first public offering 40 years ago. We are confident that the decisions that have been made in 2008 have positioned us well to lead in the markets we serve, and your Company will continue to look for opportunities that will further enhance this leadership position.

Yes, we live in extraordinary times. But extraordinary times can yield extraordinary opportunities. As we enter 2009, we do so from a position of strength and with a commitment to growth and financial integrity that will continue to set us apart and earn the trust and support of shareholders and financial and business leaders worldwide.

I am proud to serve EMS as its Chairman, and to have the opportunity to work closely with an exceptional CEO and a distinguished Board of Directors that are competent, independent, and highly-dedicated individuals, and Directors who so generously give their wisdom, their time and energy to EMS. Above all, I salute all of our employees at EMS...they are the absolute best you will find in any corporate endeavor.

John B. Mowell
Chairman of the Board

CHAIRMAN’S LETTER



John B. Mowell, Chairman of the Board



The EMS of today has deeper market reach, more competitive product offerings, and greater engineering strength than ever in its 40-year history.

Dear Shareholders

While economic realities tested all of us in 2008, EMS focused on business execution and our growth strategy, resulting in record revenues in all three of the corporation's businesses during the year. For the year, revenues grew 16 percent to \$335 million, and we achieved our full-year guidance with earnings per share of \$1.31. While many companies focused on survival during these challenging economic times, given our market share and strong balance sheet, we continue to focus on market opportunities, our strategic position and strengthening the value proposition. We think this will serve us well in 2009 as well as when the economy improves.

- The satellite communications business concluded 2008 with its highest earnings quarter in history, attributable to record sales. Aeronautical OEM partner revenue grew over 50 percent in response to pent-up demand for SwiftBroadband products, where EMS remains the world's leading manufacturer. EMS has the most comprehensive suite of products in the industry enabling aero connectivity and passenger mobile access. Our satellite tracking business enables search and rescue operations around the world.
- The Defense & Space business broke new records in revenue and backlog in 2008. Funded order backlog jumped 75 percent to an all-time high of \$115 million. For the year, revenues were nearly 30 percent higher compared with the end of 2007. While defense budget cuts are a reality in today's economy, EMS remains well positioned in defense areas that support the military's thirst for bandwidth and netcentric communications. Commercial satellite communications products leverage our technical skills and diversify risk.
- LXE, the Company's logistics business, achieved record revenues in 2008 in a tough environment while continuing to reduce costs. It successfully integrated its newly acquired vehicle-mounted computer (VMC) product line from Akerstroms Trux, Northern Europe's VMC leader, resulting in better-than-expected margins for those products in the final quarter of 2008. The percentage of revenues through distributors in 2008 grew substantially as LXE increased its VAR channel focus.

EMS's industry-leading products and technology also made a mark during the year, as the Company:

- led the industry in SwiftBroadband aeronautical high-speed data system deployments;
- won a significant in-flight connectivity antenna development award from Panasonic Avionics;
- continued production on the B-2 Bomber's new extremely high frequency (EHF) satellite communications system; and
- deployed the first Iridium-based tracking units for cost-effective Force Tracking – systems that enable communications so crucial for deployed forces in war zones.

Other memorable moments included celebrating our 40th anniversary in business and breaking ground on a major expansion of our defense and space manufacturing facilities. On Veterans' Day, the Joint Operations Center in Iraq, home to the U.S. Personnel Recovery Centre, flew a U.S. flag from the Multi National Corps - Iraq to the Palace at Camp Victory in recognition of EMS's contributions to personnel recovery efforts in Operation Iraqi Freedom.

During 2008, we made several strategic acquisitions to bolster the Company's capabilities in communications and tracking. While EMS already is known for its innovative products, I believe these transactions will increase market reach and scale needed to achieve true world-class status. Besides Akerstroms Trux, EMS bought Iridium hardware and services provider Sky Connect, a global telematics company Satamatics Global Ltd., and wireless infrastructure manufacturer Formation.

PRESIDENT'S LETTER

The EMS of today has deeper market reach, more competitive product offerings, and greater engineering strength than ever in its 40-year history. I am fortunate to be able to work closely with Dr. Neil Mackay, our COO and a very talented and seasoned management team. In the aero market alone, EMS supplies key hardware to virtually all in-flight connectivity system providers. It's a strong position in a market that continues to capture headlines daily as more airlines deploy and test systems to provide broadband entertainment and connectivity to the flying masses. Now more than ever, we are the Company that connects an ever-changing world.

The Company is acutely aware of market realities and each of our businesses is actively working to employ lean manufacturing, achieve efficiencies and prudently manage cash and inventory positions. In closing, I will leave you some numbers, \$.46 in 2005, \$1.08 in 2006, \$1.24 in 2007, and \$1.31 in 2008. They represent a 35% compound annual growth rate in earnings per share over the last four years. We will continue to build on our strengths and be a growth company to watch in 2009.

Paul B. Domorski
President and CEO



Paul B. Domorski, President and CEO

EMS
DEFENSE & SPACE

EMS Defense & Space is a leading supplier of antenna systems and beam management for a broad range of military and commercial applications, including mobile network-centric operations, radar for battlefield visibility and commercial aero connectivity. Defense & Space hardware products and systems enable secure and vital RF links in the air, in space, at sea and on the ground.

EMS
FORMATION

EMS Formation is a leading supplier of in-flight communications and entertainment, rugged data storage, airborne connectivity, and data recording and replay hardware and software for the aerospace, defense and transportation industries. EMS Formation leverages commercial off-the-shelf technology (COTS) to deliver the greatest performance at the best value.

EMS
SATAMATICS

EMS Satamatics is a leader in global telematics providing global, end-to-end tracking and monitoring solutions for transportation, security, maritime and the oil and gas industry. EMS Satamatics helps companies and governments locate, track and communicate with mobile assets, safeguard their fleets, cargo and personnel, and monitor their fixed and mobile assets in the most hostile or remote terrains in the world.

EMS
SATCOM

EMS SATCOM is a leading supplier of high-speed data communications equipment for a broad range of commercial and military aircraft. Applications include voice, e-mail, videoconferencing and Internet connectivity. Its satellite-based terminals, antennas and networking equipment are also deployed on vehicles and used by Search and Rescue organizations.

EMS
SKY CONNECT

EMS Sky Connect is a leader in Iridium satellite technology and services for helicopter, fixed-wing, ground-based and marine applications. EMS Sky Connect offers a broad range of satellite-based tracking and voice systems in both commercial and government markets.

LXE
AN EMS TECHNOLOGIES COMPANY

LXE is a leading manufacturer of rugged vehicle-mounted, handheld and wearable mobile computers. LXE helps companies extend corporate networks to mobile workers in demanding conditions by providing easy-to-use, tough and reliable wireless computers. LXE products are used by organizations worldwide to drive down costs and improve customer satisfaction.

Acquisitions are part of a well-defined growth strategy. At EMS, the common thread is our ability to provide on-the-move communications systems – made to perform in very, very harsh environments. While each EMS business succeeds on its own, there also are significant synergies among them, at the technology, application and operational levels. EMS will continue to find ways to leverage best practices across the company to save money and speed cross-divisional collaboration and innovation. Our company business units bring a rich breadth of capabilities and powerful synergies to a unified EMS.

Connecting

An *Ever-Changing* World.





CORPORATE STAFF

Left to Right: Timothy Reis, Mike Robertson, Neilson Mackay, Perry Tanner, Paul Domorski, Gary Shell

MANAGEMENT TEAM

Paul B. Domorski
President and CEO

Neilson A. Mackay
Executive Vice President and
Chief Operating Officer

Gary B. Shell
Senior Vice President and
Chief Financial Officer

Timothy C. Reis
Vice President and
General Counsel

Perry D. Tanner
Vice President, Marketing
and Information Management

Michael R. Robertson
Director, Human Resources
and Administration

David M. Sheffield
Vice President, Finance and
Chief Accounting Officer

Gary M. Hebb
Vice President,
Strategy and Innovation

Nils A. Helle
Vice President,
Strategic Initiatives

R. Nim Evatt
General Manager,
EMS Formation

Dino Koutrouki
General Manager,
EMS Satamatics

Stephen E. Silverman
General Manager,
EMS Sky Connect

David A. Smith
Vice President and
General Manager,
EMS Defense & Space

William H. Roeder
Acting General Manager,
LXE

Joanne M. Walker
Vice President and General
Manager, EMS SATCOM

BOARD OF DIRECTORS

John B. Mowell
Chairman of the Board, EMS
Technologies, Inc. and President,
Mowell Financial Group, Inc.,
investment counselors,
Tallahassee, FL

Hermann Buerger
Chairman of the Audit Committee
and Former Regional Board
Member and CEO of the Americas,
Commerzbank AG,
Williamsburg, VA

Paul B. Domorski
President and CEO,
EMS Technologies, Inc.
Atlanta, GA

Francis J. Erbrick
Former Consultant, Business
Technology Office, McKinsey &
Company and Former CIO, United
Parcel Service, Atlanta, GA

John R. Kreick
Private consultant on defense
electronics matters and Chairman of
the Board of Draper Labs, Nashua, NH

Thomas W. O'Connell
Former Assistant Secretary of
Defense for Special Operations and
Low-Intensity Conflict
Alexandria, Virginia

Bradford W. Parkinson
Professor Emeritus, Stanford
University, Palo Alto, CA

Norman E. Thagard
Professor and Director of College
Relations, College of Engineering,
Florida A&M University - Florida
State University, Tallahassee, FL

John L. Woodward, Jr.
Associate Partner, Accenture, a global
management consulting firm, and
Lieutenant General (Retired), U.S. Air
Force, Wellesley Island, NY

BUSINESS DESCRIPTION

EMS Technologies is a leading
innovator in advanced wireless and
satellite communications. Our focus is
on the needs of mobile information
users – communications on the move.
With a common foundation in broad-
band and other advanced wireless
technologies, our business units are
succeeding across diverse markets.

CORPORATE INFORMATION

EMS Technologies, Inc. makes available
free of charge, on or through its website
at www.ems-t.com, its annual, quarterly
and current reports with the Securities
and Exchange Commission. Reports are
also available without charge upon
request to:

Gary B. Shell
EMS Technologies, Inc.
P.O. Box 7700
660 Engineering Drive
Norcross, GA 30091-7700
Telephone - 770.729.6510
FAX - 770.447.4397

Transfer Agent and Registrar:
Computershare Investor Services
By Mail:
P.O. Box 43078
Providence, RI 02940-3078
By Phone:
800.942.5909
(toll free in the U.S. and Canada)
On the worldwide web:
www.us.computershare.com/Investor

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Department of Defense

In this annual report, there are forward-looking statements about the Company's expected 2009 earnings prospects and the potential for various businesses and products. Actual results could differ from those statements as a result of a wide variety of risk factors including, but not limited to..

- general conditions in our target markets, and economic conditions in the U.S. and abroad.
- difficulty predicting the timing of receipt of major customer orders.
- U.S. defense budget pressures on near-term spending priorities.
- uncertainties in the process of converting contract awards into firm orders.
- volatility of foreign exchange rates relative to the U.S. dollar, and the related effects on customer purchasing power and the potential for foreign exchange gains or losses.
- successful resolution of technical problems or proposed changes in schedule, scope or funding on contracts.
- changes in the effective income tax rate due to the mix of taxable earnings from specific taxing jurisdictions; and
- unanticipated difficulties in profitably integrating acquired businesses into our existing business and product lines.

Relevant risk factors are identified and described in further detail in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2008, which is incorporated within this document.