

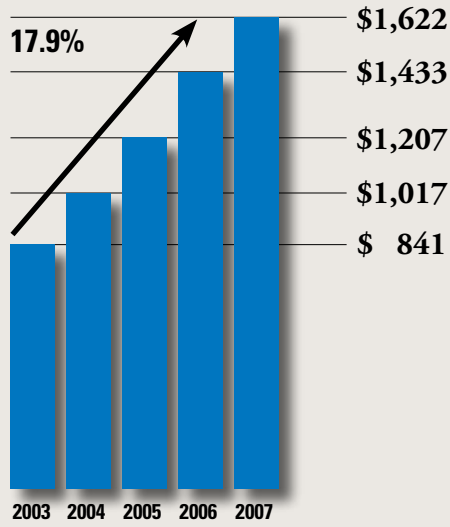
# Technology for a changing world



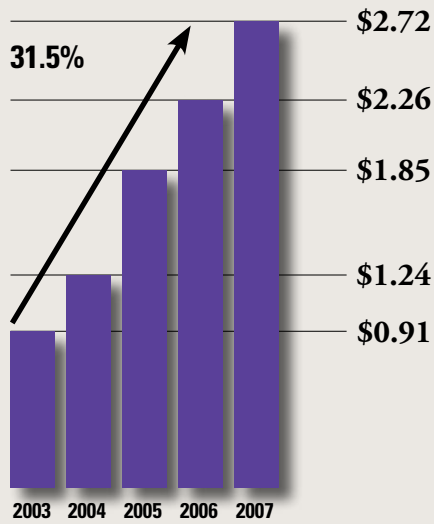
**TELEDYNE TECHNOLOGIES INCORPORATED**

2007 | ANNUAL REPORT

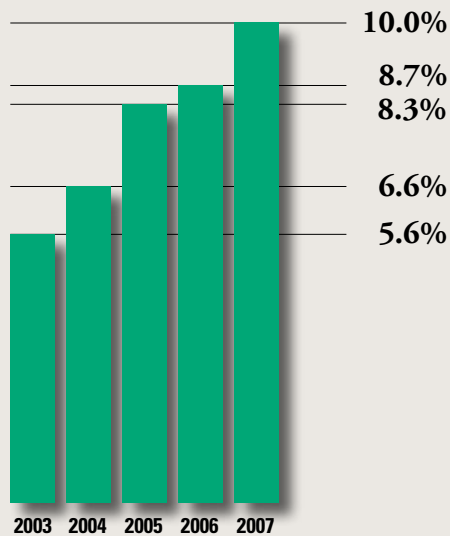
### Sales (In millions)



### Diluted Earnings per Share



### GAAP Operating Margin



## 2007 FINANCIAL HIGHLIGHTS

### Selected Consolidated Financial Data

(In millions, except per-share data)

#### Summary Financial Information

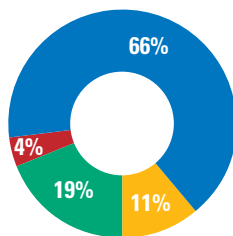
	2007	2006	2005	2004	2003
Sales	\$ 1,622.3	\$ 1,433.2	\$ 1,206.5	\$ 1,016.6	\$ 840.7
Net income	\$ 98.5	\$ 80.3	\$ 64.2	\$ 41.7	\$ 29.7
Diluted earnings per share	\$ 2.72	\$ 2.26	\$ 1.85	\$ 1.24	\$ 0.91
Weighted average diluted common shares outstanding	36.2	35.5	34.7	33.7	32.7

#### Summary Balance Sheet Data

	2007	2006	2005	2004	2003
Cash and cash equivalents	\$ 13.4	\$ 13.0	\$ 9.3	\$ 11.4	\$ 37.8
Working capital	\$ 213.7	\$ 216.4	\$ 154.0	\$ 124.4	\$ 129.5
Total assets	\$ 1,159.4	\$ 1,061.4	\$ 728.2	\$ 624.8	\$ 433.6
Long-term debt and capital lease obligations	\$ 142.4	\$ 230.7	\$ 47.0	\$ 74.4	\$ —
Stockholders' equity	\$ 530.2	\$ 431.8	\$ 326.0	\$ 262.1	\$ 221.0

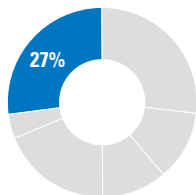
See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the "Notes to Consolidated Financial Statements" in this 2007 Annual Report on Form 10-K for additional information regarding Teledyne Technologies Incorporated financial data.

## Sales by Segment

OPERATIONS  
AT A GLANCE

- Electronics and Communications Segment
- Engineered Systems Segment
- Aerospace Engines and Components Segment
- Energy and Power Systems Segment

## Defense Electronics



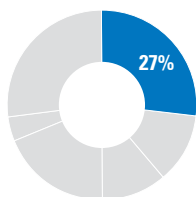
## Overview

Defense electronics businesses provide a range of highly specialized electronic subsystems to our government, as well as other defense contractors

## Selected Products / Services

- Integrated microwave assemblies
- Harsh environment interconnects
- Infrared and visible light imaging sensors

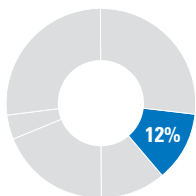
## Instrumentation



Instrumentation provides power to subsea drilling systems, helps locate new energy reserves, reports subtle changes to the environment, and detects trace contaminants in air and water

- Harsh environment interconnects
- Acoustic Doppler water current profilers
- Hydrophones and streamer cables
- Emissions monitoring instrumentation

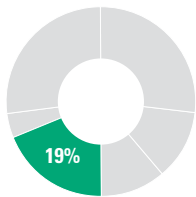
## Electronics (Avionics &amp; Other)



Aircraft information management solutions are designed to increase flight safety and efficiency of aircraft transportation. In addition, alongside our defense electronics, we produce precision electronics for other commercial markets

- Wireless aircraft data acquisition systems
- Electronic Flight Bags (EFBs)
- Commercial microwave subsystems

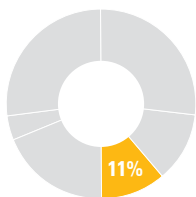
## Engineered Systems



Within the Engineered Systems segment, our products and services center on protecting America, expanding national interests in space, and improving environmental safety

- Missile defense systems engineering
- Space hardware and engineering services
- Chemical, biological, radiological and nuclear, (CBRN) systems and services

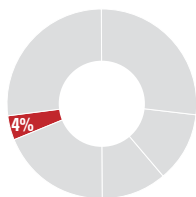
## Aerospace Engines and Components



In business for over 100 years, Teledyne Continental Motors provides piston engines for a number of today's most popular general aviation aircraft

- Aircraft piston engines for OEM aircraft
- Aftermarket engines, parts and service
- Digital electronic engine control systems

## Energy and Power Systems



We provide highly reliable power and propulsion systems primarily for aerospace and defense applications, as well as high purity hydrogen generation systems

- Power systems for government applications
- Military small turbine engines
- Gill™ brand aerospace batteries
- Hydrogen gas generators



## TO OUR STOCKHOLDERS

Today's world is faced with rising energy prices, heightened pollution concerns, turbulent financial markets and uncertainty about the domestic and global economies. However, I believe Teledyne remains well positioned, with significant operations leveraged to aerospace and defense, offshore energy exploration and production, and environmental monitoring markets.

In fiscal 2007, we achieved record sales, earnings per share and free cash flow by continuing to focus on operational excellence and strengthening our core businesses:

- ◆ Sales increased 13.2% to \$1.62 billion
- ◆ Earnings per share grew 20.4% to \$2.72
- ◆ Free cash flow was \$126.4 million, an increase of 143%\*
- ◆ The market value of our common stock increased 33.3%

Over the last five years, we have continually improved the operating performance and expanded the margins in our existing and acquired businesses:

- ◆ Revenue has grown at a compounded rate of 17.9% since 2003
- ◆ Earnings per share have grown at a compounded rate of 31.5%
- ◆ Operating margin has grown 441 basis points to 10.0% in 2007

During the same period, we have expanded and strengthened our core businesses in defense electronics and instrumentation by developing new products, improving sales channels and by acquiring strong companies that have added new, innovative products and increased our management depth. Teledyne is now recognized as a leader in our markets, and our customers are increasingly relying on us to provide more complete solutions for their demanding applications.

### **Added Capabilities in Defense Electronics and Engineered Systems**

Our defense electronics revenue continued to grow in 2007 to \$447 million. The investments we have made in highly integrated microwave subsystems resulted in new orders for electronic warfare and radar systems. We have also won several projects

\* The company defines free cash flow as cash provided by operating activities less capital expenditures for property, plant and equipment. For a reconciliation to GAAP, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Form 10-K.

for both the ground and space-based portions of new satellite systems. Customer requirements for modules used in systems to counteract improvised explosive devices (IEDs) grew significantly during the year and we have made investments at two of our facilities to keep up with the demand.

On June 20, 2007, we acquired Tindall Technologies Inc., a manufacturer of specialized military receivers and frequency measurement subsystems to further

enhance our ability to provide our customers with more comprehensive microwave subsystems. On December 31, 2007, we completed the acquisition of Storm Products Co., a leading manufacturer of specialty wire, cable and interconnect products for harsh environment applications. Storm's microwave cables are used widely by defense electronics companies that also buy many of our defense microwave components and subsystems as well as our high voltage connectors and cables. We expect that operating under the Teledyne brand will open additional opportunities at defense prime contractors. Storm also manufactures subsea cables that are complementary to our Teledyne Marine businesses.

Teledyne Scientific & Imaging, LLC, won several new programs that should provide us with the technological base for future products. We were notified by the Defense Advanced Research Projects Agency (DARPA) that we had been selected for a Phase IV contract to develop a Chip Scale Atomic Clock. Under this contract, which is expected to start in early 2008, we will build ruggedized versions of miniature

atomic clocks designed to provide precise time to battlefield and airborne systems as part of the United States Government's expanding focus on robust positioning, navigation and timing.

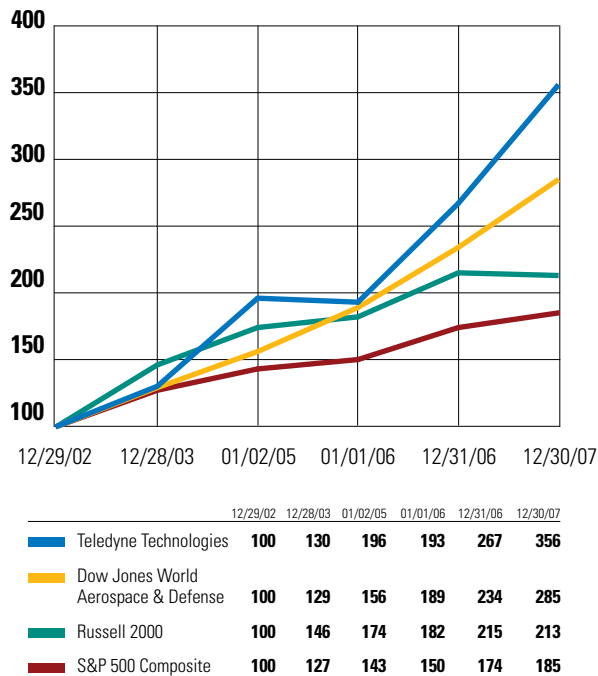
We were very pleased to be selected by the United States Air Force for High Stare, a \$15.5 million five-year program to advance the state-of-the-art of infrared sensors for

#### Cumulative Total Stockholder Return

The graph set forth below shows the cumulative total stockholder return (i.e., price change plus reinvestment of dividends) on our common stock from our fiscal year end December 29, 2002 through our fiscal year end December 30, 2007, as compared to the Standard & Poor's 500 Composite Index, the Russell 2000 Index and the Dow Jones World Aerospace & Defense Index.

The graph assumes that \$100 was invested on December 27, 2002.

In accordance with the rules of the Securities and Exchange Commission, this presentation is not incorporated by reference into any of our registration statements under the Securities Act of 1933.



future missile warning and missile defense space systems. Teledyne is already a leader in very high performance infrared imaging sensors based on Mercury Cadmium Telluride semiconductors, and this important new program will significantly expand our capabilities.

On February 1, 2008, we acquired assets of Judson Technologies, LLC to broaden our capabilities in infrared imaging for both defense and commercial applications. This acquisition will provide us with a highly complementary range of infrared sensors, including Indium Gallium Arsenide based subsystems, allowing us to address growing military, security and scientific markets.

Teledyne Brown Engineering's decades long history of support to NASA's Marshall Space Flight Center continued in 2007. Along with NASA, our focus has begun shifting towards space exploration and the development of new launch systems. We were awarded several new task orders to provide payload development, operations, and science technology research for the next several years. One of the key tasks is development of the Roll Control System for the Ares I-X test flight vehicle, an effort that expanded our work into the field of propulsion system development. We were also pleased to be selected by NASA for requirements definition, design and manufacturing process development for the next Crew Launch Vehicle.

Our focus on development and manufacturing of specialized systems was also reflected in two new awards in the chemical, biological, radiological and nuclear fields, also known as CBRN. We were selected to design a state-of-the-art test chamber for biological warfare agent detection systems, and were subsequently awarded a contract for development and production of a system that will be used to remove toxic contamination from sensitive electronic equipment, command posts and aircraft.

In July, Segment President Jim Link announced his planned retirement after successfully leading Teledyne Brown Engineering since 2001, following a distinguished 33 year career with the U.S. Army. Jim was succeeded by Rex Geveden who was the Associate Administrator of NASA. Rex had a proven track record at NASA and, since joining Teledyne, has been working closely with me on strategies to build on Teledyne Brown's successful history by focusing on our strengths in developing highly engineered systems for our customers in the Department of Defense and NASA.

As part of this strategy, in late 2007 we realigned some of our businesses under Rex in a new reporting segment called Energy and Power Systems. This segment, which includes Teledyne Energy Systems, Inc., Teledyne Turbine Engines and Teledyne Battery Products, provides Teledyne's customers with a focal point for the specialized energy generation, energy storage and small propulsion products that Teledyne manufactures, primarily for high-reliability aerospace and defense applications.

### **Booming Market for Offshore Oil and Gas Exploration and Production**

The market for our products for offshore oil and gas exploration and production was very strong throughout the year, driven by limitations on existing reserves and the move to ever deeper waters where only the most capable and reliable technologies are acceptable. We expect that long-term demand for oil and gas for China and India, coupled with the global political instability in oil producing regions, will drive investments in offshore exploration and production for the foreseeable future.

The offshore industry makes extensive use of Remotely Operated Vehicles (ROVs). The top four vehicle manufacturers have adopted our Doppler Velocity Logs as standard navigation instrumentation and have each placed long-term blanket orders with us.

Demand for hydrophone arrays that are towed behind ships for offshore seismic exploration remained solid. While sales levels in this business tend to be lumpy, as customers place large orders to outfit new ships, we believe that we remain well positioned through at least 2008 and 2009. During 2007 we worked with key customers to introduce next-generation products and these have now entered production or will do so in early 2008.

We experienced high growth in sales of wet-mateable electrical and fiber optic connectors and cable assemblies used for interconnect systems on subsea wellheads. At deeper water levels, the distribution systems that support the wellheads become increasingly complex. Increased use of fiber optics and expanded power requirements have had a favorable impact on our sales.

On March 30, 2007, we acquired assets of D.G. O'Brien, Inc., and, on December 31, 2007, we completed the acquisition of Impulse Enterprise to complement Ocean Design, Inc. and provide us with a much broader range of harsh environment electrical and optical interconnects for offshore oil, ocean science and defense applications. Our subsea interconnect products now include ODI's unique wet-mateable optical and electrical connectors, D.G. O'Brien's glass-to-metal-seal connectors and penetrators that are designed to withstand the high pressures of deep water, and Impulse's molded neoprene and glass-reinforced epoxy connectors and cables that are used in a broad range of subsea applications.

### **Global Concerns about the Earth's Climate and Environment**

Teledyne's instruments and sensors are designed to accurately monitor the earth's land, sea and air to protect our environment and help scientists understand changes in our climate. Our range of such products and applications is one of the broadest in the world. These include precision infrared sensors that monitor the atmosphere from space, instruments that measure ocean currents and waves, trace gas analyzers used to monitor air quality, wastewater samplers and flow meters, and laboratory instruments that are used to measure organic and inorganic contaminants in soil and water.



The market for our ambient air monitoring instruments in China was at a record level in 2007, driven in part by preparations for the 2008 Beijing Olympics. We also experienced strong orders for our water samplers and flow meters because of both increasing demand for water resources in developing nations, and aging infrastructure in North America and Europe. We are now completing development of both visible light and infrared sensors for NASA's new Orbiting Carbon Observatory, which is scheduled to launch in 2008. This satellite will provide precise global measurement of atmospheric carbon dioxide.

### **Propulsion Systems and Avionics for Commercial Aviation**

Teledyne Continental Motors (TCM) was selected to provide the aircraft engine for Cessna's new Skycatcher Light Sport Aircraft. This represents our first OEM installation in a Cessna aircraft in many years. Cessna has announced that they have received orders for more than 850 such Light Sport Aircraft.

We also experienced management succession at Teledyne Continental Motors this year when Bryan Lewis retired after 15 years as president of TCM and 27 years of service with Teledyne. Bryan's experience and leadership will be missed, but we are fortunate to have Rhett Ross, previously president of Teledyne Energy Systems, Inc., as a strong successor for Bryan.

Orders for avionics equipment used by airlines grew significantly in 2007, paced by our Wireless GroundLink® system that uses cellular telephone infrastructure and the internet to automate transmission of flight data. We now have 40 airline customers for this system, 15 of which were new in 2007. We also commenced production deliveries of our new Electronic Flight Bag systems to air freight and airline customers. These systems reduce paper in the cockpit and allow documentation to be kept up-to-date.

### **Looking Ahead**

The world is changing and I believe Teledyne is well positioned to prosper by providing unique technologies that anticipate our customers' evolving needs in vital markets. Whether the requirement is to protect the earth's climate, maintain national security, or find and develop oil resources, Teledyne's products provide the reliability, precision and performance that our customers require for their demanding applications.



Chairman, President and Chief Executive Officer  
Teledyne Technologies Incorporated

February 27, 2008

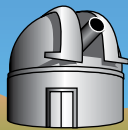
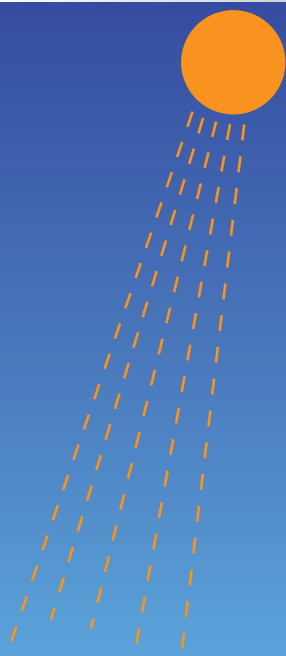
**Teledyne's scientists and engineers develop some of the world's most sensitive infrared imaging sensors and ultra high-speed signal processing devices, which we fabricate in our modern clean rooms.**





**Applications for our defense technology and engineered systems cover all of the military services and include the F-35 Joint Strike Fighter, National Missile Defense and the Virginia class submarine. We also provide unique components for systems that counteract improvised explosive devices and for secure battlefield communication systems.**

**Teledyne's instruments and sensors accurately monitor the earth's land, sea and air to protect our environment and help scientists understand changes in our climate. Our range of such products and applications is one of the broadest in the world.**

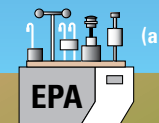
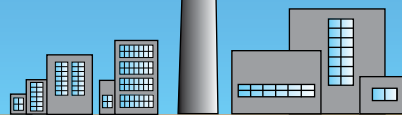


The Earth's climate is very sensitive to changes in solar radiation. Solar observatories employ Teledyne's visible and infrared light sensors to analyze the solar magnetic field, which is key to understanding the energy output from the sun.



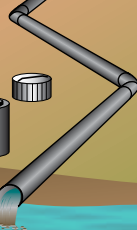
(b)

Our precision environmental instruments continuously monitor levels of pollutant gases such as carbon dioxide, sulfur dioxide and ozone. They are used by environmental agencies in ambient air quality systems (a) and to measure emissions from power generation facility smokestacks (b).

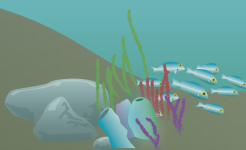


(a)

We are a leading supplier of permanent and portable samplers that environmental engineers use to collect and preserve storm water runoff and wastewater samples for subsequent laboratory analysis. We also manufacture sensitive instruments that are used in the laboratories to analyze water and soil samples for organic and inorganic contamination.



We help protect precious water resources by manufacturing instruments that use acoustic Doppler technology to accurately measure the flow rate of water in rivers, streams, sewers and irrigation channels.



Our unique wet-mateable fiber optic and electrical connectors allow divers or remotely operated vehicles to connect scientific instruments to network gateways for ocean observatories.





Teledyne makes a broad range of high resolution infrared and visible light sensors for satellites and spacecraft. Climate monitoring applications include profiling of carbon and ozone in the atmosphere and remote sensing of clouds.

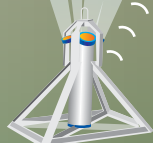
NASA uses our sensors on aircraft that monitor both infrared and visible light wavelengths to detect changes in the atmosphere and monitor the Earth's surface. The collected data have applications in oceanography, environmental science, soil and land management and agriculture.



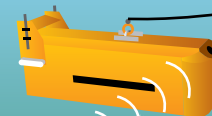
Teledyne's acoustic modems provide underwater communication to subsea sensors and vehicles. Data may then be linked to land or satellites by gateway buoys.

Ocean scientists are making increasing use of autonomous underwater vehicles in research projects. Teledyne's technologies are used on these vehicles for navigation, current measurement and acoustic communication.

Our novel sidescan sonar systems are towed behind ships or installed in underwater vehicles to provide high-resolution, three dimensional images of the seafloor.



Teledyne's acoustic Doppler instruments help scientists better understand our oceans by providing detailed profiles of ocean currents and waves. Our unique broadband designs provide high resolution data.



Our buoyant instrument housings, that can withstand the high pressure at full ocean depth, are used by scientists throughout the world. When a subsea project is completed, a signal is sent to our acoustic releases to allow the instruments to float to the surface.

**The offshore oil and gas exploration market was robust throughout 2007. We significantly expanded our line of subsea connectors and cable assemblies via the acquisition of three complementary companies, allowing Teledyne to be a single source for interconnect solutions for our customers' harsh environment applications.**



## Executive Management

**ROBERT MEHRABIAN\***  
Chairman, President and  
Chief Executive Officer

**JOHN T. KUELBS\***  
Executive Vice President,  
General Counsel and Secretary of the  
Board of Directors

**DALE A. SCHNITTJER\***  
Senior Vice President and  
Chief Financial Officer

**IVARS R. BLUKIS**  
Chief Business Risk  
Assurance Officer

**MELANIE S. CIBIK**  
Vice President, Associate General  
Counsel and Assistant Secretary

**REX D. GEVEDEN\***  
President  
Teledyne Brown Engineering, Inc.

**SUSAN L. MAIN\***  
Vice President and Controller

**ROBYN E. MCGOWAN**  
Vice President, Administration,  
Human Resources and Assistant  
Secretary

**ALDO (AL) PICHELLI\***  
President and Chief Operating  
Officer, Electronics and  
Communications Segment

**KEVIN J. RILEY**  
President  
Teledyne Scientific & Imaging, LLC

**RHETT C. ROSS**  
President  
Teledyne Continental Motors, Inc.

**ROBERT L. SCHAEFER**  
Associate General Counsel and  
Assistant Secretary General Counsel  
Electronics and Communications  
Segment

**ROBERT W. STEENBERGE**  
Vice President and  
Chief Technology Officer

**JASON VANWEES**  
Vice President,  
Corporate Development  
and Investor Relations

\* Section 16 Officer

## Segment Presidents



**ALDO (AL) PICHELLI**  
Electronics and  
Communications Segment



**REX D. GEVEDEN**  
Engineered Systems  
Segment and Energy and  
Power Systems Segment



**RHETT C. ROSS**  
Aerospace Engines and  
Components Segment

## Stockholder Information

**CORPORATE OFFICES**  
Teledyne Technologies Incorporated  
1049 Camino Dos Rios  
Thousand Oaks, CA 91360  
Telephone: (805) 373-4545  
Fax: (805) 373-4775  
www.teledyne.com

**TRANSFER AGENT AND REGISTRAR**  
BNY Mellon Shareowner Services  
480 Washington Boulevard  
Jersey City, NJ 07310  
(888) 540-9867

**STOCKHOLDER PUBLICATIONS -  
FORM 10-K**  
Annual reports (including Form 10-K)  
and proxy statements are mailed to  
all stockholders of record. Copies of  
our SEC periodic reports, corporate  
governance guidelines, codes of  
ethics and committee charters are  
also available on our web site at  
www.teledyne.com. For additional  
information, contact Corporate Com-  
munications or Investor Relations.

**STOCK EXCHANGE LISTING**  
The common stock of Teledyne  
Technologies Incorporated is traded  
on the New York Stock Exchange  
(symbol TDY).

**ANNUAL MEETING**  
The annual meeting of stockholders  
will be held on Wednesday, April 23,  
2008, at 9:00 a.m. PDT, at Teledyne  
Technologies Incorporated, 1049  
Camino Dos Rios, Thousand Oaks,  
CA 91360.

**INDEPENDENT AUDITORS**  
Ernst & Young LLP  
Los Angeles, California

**CURRENT NEWS AND  
GENERAL INFORMATION**  
Information about Teledyne is  
available at www.teledyne.com.

## Directors



**ROXANNE S. AUSTIN** <sup>(1)(2)</sup>  
Former President and  
Chief Operating Officer  
DIRECTV, Inc.



**SIMON M. LORNE** <sup>(1)(2)</sup>  
Vice Chairman and Chief  
Legal Officer  
Millennium Management LLC



**ROBERT P. BOZZONE** <sup>(1)(3)</sup>  
Former Chairman,  
Allegheny Technologies  
Incorporated



**ROBERT MEHRABIAN**  
Chairman, President and  
Chief Executive Officer,  
Teledyne Technologies  
Incorporated



**FRANK V. CAHOUET** <sup>(1)(2)</sup>  
Retired Chairman and Chief  
Executive Officer, Mellon  
Financial Corporation



**PAUL D. MILLER** <sup>(1)(2)</sup>  
Retired Chairman, Alliant  
Techsystems, Inc.



**CHARLES CROCKER** <sup>(2)(3)</sup>  
Chairman and CEO,  
Crocker Capital and Retired  
Chairman and CEO,  
BEI Technologies, Inc.



**MICHAEL T. SMITH** <sup>(2)(3)</sup>  
Retired Chairman and Chief  
Executive Officer, Hughes  
Electronics Corporation



**KENNETH C. DAHLBERG** <sup>(1)(3)</sup>  
Chairman of the Board  
and CEO of Science  
Applications International  
Corporation (SAIC)



**WESLEY W. VON SCHACK** <sup>(2)(3)</sup>  
Chairman, President and  
Chief Executive Officer  
Energy East Corporation

<sup>(1)</sup> Audit Committee

<sup>(2)</sup> Nominating and Governance Committee

<sup>(3)</sup> Personnel and Compensation Committee





Form 10-K

**Teledyne Technologies Incorporated**



## Forward-Looking Statements Cautionary Notice

This annual report contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, relating to earnings, growth opportunities, product sales, capital expenditures, pension matters, stock option compensation expense, taxes and strategic plans. Actual results could differ materially from these forward-looking statements. Many factors, including changes in demand for products sold to the defense electronics, instrumentation, energy exploration and production, commercial aviation, semiconductor, and communications markets, funding, continuation and award of government programs, continued liquidity of our customers (including commercial aviation customers) and economic and political conditions, could change the anticipated results. In addition, financial market fluctuations affect the value of the Company's pension assets.

Global responses to terrorism and other perceived threats increase uncertainties associated with forward-looking statements about our businesses. Various factors could realign government programs, and affect the composition, funding or timing of our programs. Flight restrictions would negatively impact the market for general aviation aircraft piston engines and components. Changes in the leadership of the U.S. Government could result, over time, in reductions in defense spending and further changes in programs in which the Company participates.

The Company continues to take action to assure compliance with the internal controls, disclosure controls and other requirements of the Sarbanes-Oxley Act of 2002. While the Company believes its control systems are effective, there are inherent limitations in all control systems, and misstatements due to error or fraud may occur and not be detected.

While Teledyne's growth strategy includes possible acquisitions, the Company cannot provide any assurance as to when, if, or on what terms any acquisitions will be made. Acquisitions involve various inherent risks, such as, among others, our ability to integrate acquired businesses, retain customers and achieve identified financial and operating synergies.

Additional information concerning factors that could cause actual results to differ materially from those projected in the forward-looking statements is contained in Teledyne's periodic filings with the Securities and Exchange Commission, including its 2007 Annual Report on Form 10-K. Forward looking statements are generally accompanied by such words as "estimates", "project", "predict", "believes" or "expect", that convey the uncertainty of future events or outcomes. The Company assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or otherwise.

