

Report of Independent Accountants on Applying Agreed-Upon Procedures

Mr. Richard L. Langley
Chief Financial Officer
Sparton Corporation
2400 Easton Ganson
Jackson, MI 49202

We have audited, in accordance with auditing standards generally accepted in the United States, the consolidated balance sheet of Sparton Corporation and subsidiaries as of June 30, 2001 and the related consolidated statements of operations, shareowners' equity, and cash flows for the year then ended, and have issued our report thereon dated August 17, 2001. Our opinion on the financial statements referred to above is presented on page 18 of Sparton Corporation's 2001 Annual Report to Shareholders' which is included with the letter dated December 19, 2001 and signed by Richard Langley, Chief Financial Officer of Sparton Corporation, to the Environmental Protection Agency and the New Mexico Environment Department ("the Langley Letter").

We have performed the procedures described below, which were specified by the Environmental Protection Agency and agreed to by Sparton Corporation, to the Langley Letter, solely to assist you in complying with the requirements of the State of New Mexico and the United States Environmental Protection Agency. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

We have compared the following data included in the Langley Letter, to amounts included in or derived from the audited consolidated balance sheet of Sparton Corporation and subsidiaries as of June 30, 2001, and the related consolidated statements of operations, shareowners' equity, and cash flows for the year then ended, which we have audited and issued our report thereon as described above, and found them to be in agreement.

<u>Description</u>	<u>Balance</u>
Total liabilities	\$ 28,272,054
Tangible net worth	79,522,450
Net worth	79,522,451
Current assets	86,513,361
Current liabilities	20,536,181
Net working capital	65,977,180
Sum of net earnings plus depreciation, depletion, and amortization	3,532,800

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the Langley Letter. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of Sparton Corporation, the State of New Mexico, and the United States Environmental Protection Agency and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Ernst + Young LLP

August 17, 2001