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RADA ELECTRONIC INDUSTRIES LTD
Form 6-K
May 05, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

F O R M 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR
15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of
May 2005

RADA ELECTRONIC INDUSTRIES LIMITED
(Name of Registrant)

7 Giborei Israel Street, Netanya 42504, Israel
(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will
file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the
Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the
Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information
contained in this Form, the registrant is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under the Securities
Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to
the registrant in connection with Rule 12g3-2(b): 82-_____

This Form 6-K is being incorporated by reference into the Registrant's
Form F-3 Registration Statements File Nos. 333- 12074, 333-115598 and
333-117954, and Form S-8 Registration Statements File Nos. 333-12844 and
333-111437.

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6-K Items

1. Press Release re RADA Electronic Industries Announces First Quarter 2005 Results dated May 5, 2005.

ITEM 1

Press Release

Source: RAA Electronic Industries Ltd.

RADA Electronic Industries Announces First Quarter 2005 Results

Thursday May 5, 8:33 am ET

NETANYA, Israel, May 5 /PRNewswire-FirstCall/ -- RADA Electronic Industries Ltd. (Nasdaq: RADI - News) today reported its financial results for the first quarter ended March 31, 2005. The company reported first quarter 2005 revenues of US\$2.84 million, compared to revenues of US\$1.69 million in the same period of last year.

Operating expenses in the first quarter of 2005 increased to US\$2.53 million from US\$1.36 million. As a result the company reported a net loss of \$508,000 for the quarter. This compares to a loss of \$560,000 in the first quarter of 2004.

Commenting on the results, RADA's CEO, Mr. Adar Azancot stated, "Although we have seen an improvement in both the top and bottom line compared to the first quarter of last year, the results were still slightly below our average quarterly forecast for 2005. This occurred for two reasons. First, a number of projects were pushed out to the second quarter. Second, most of the revenues during the quarter derived from development programs, which are, by nature, lower-margin programs."

Mr. Azancot concluded, "We believe our second quarter results will compensate for our slightly lower than expected revenue volume received this quarter."

RADA will host a conference call today, Thursday, May 5, 2005 at 10:00 a.m. EST. Mr. Adar Azancot, Chief Executive Officer, will be on the call and available to answer investor questions after presenting the results.

To participate, please call one of the telephone numbers below at least 5 minutes before the start of the call.

US: +1-866-860-9642 at 10:00 a.m. EST
Israel: 03-918-0600 at 5:00 p.m. Israel time
International: +972-3-918-0600

For those unable to participate, a replay will be available for 48 hours in the US. Please dial +1-866-276-1002, international callers please dial

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+972-3-925-5936

About RADA

RADA Electronic Industries Ltd. is an Israel based company involved in the military and commercial aerospace industries. The Company specializes in Avionics systems (Digital Video Recorders, Ground Debriefing Stations, Stores Management Systems, Flight Data Recorders, Inertial Navigation Systems), Trainers Upgrades, Avionics systems for the UAV market, and Electro optic cameras for airplanes and armored vehicles.

Note: Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such risk uncertainties and other factors include, but are not limited to, changes in general economic conditions, risks in product and technology developments, market acceptance of new products and continuing product demand, level of competition and other factors described in the Company's Annual Report on Form 20-F and other filings with the Securities and Exchange Commission.

Consolidated Balance Sheets

U.S. dollars in thousands, except share and per share data

| | March 31, December 31, | |
|--|------------------------|-----------|
| | 2005 | 2004 |
| Assets | (unaudited) | |
| Current Assets | \$ 7,628 | \$ 8,524 |
| Long-Term Receivables | 3,957 | 3,722 |
| Property And Equipment, Net | 4,316 | 4,283 |
| Other Assets, Net | 2,684 | 1,768 |
| Total assets | \$ 18,585 | \$ 18,297 |
| Liabilities And Shareholders' Equity | | |
| Current Liabilities | \$ 6,280 | \$ 6,259 |
| Long-Term Liabilities | 5,185 | 4,409 |
| Minority Interests | 389 | 397 |
| Shareholders' Equity: | | |
| Share capital | | |
| Ordinary shares of NIS 0.005 par value - Authorized: 45,000,000 shares at March 31, 2005 and December 31, 2004; Issued and outstanding: 20,458,364 and 20,448,364 shares at March 31, 2005 and December 31, 2004, respectively | 110 | 110 |
| Additional paid-in capital | 61,858 | 61,851 |
| Warrants | 2,223 | 2,223 |
| Accumulated deficit | (57,460) | (56,952) |
| Total shareholders' equity | 6,731 | 7,232 |
| Total liabilities and shareholders' equity | \$ 18,585 | \$ 18,297 |

Consolidated Statements of Operations

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U.S. dollars in thousands, except share and per share data

| | Three months ended | | Year ended |
|--|--------------------|-----------|------------|
| | March 31, | | December |
| | 2005 | 2004 | 31, |
| | (unaudited) | | 2004 |
| Revenues: | | | |
| Products | \$ 2,248 | \$ 791 | \$ 11,123 |
| Services | 594 | 894 | 3,037 |
| | 2,842 | 1,685 | 14,160 |
| Cost of revenues: | | | |
| Products | 2,227 | 1,075 | 9,111 |
| Services | 306 | 286 | 1,176 |
| | 2,533 | 1,361 | 10,287 |
| Gross profit | 309 | 324 | 3,873 |
| Operating expenses: | | | |
| Marketing and selling | 178 | 280 | 738 |
| General and administrative | 528 | 524 | 2,116 |
| Total operating expenses: | 706 | 804 | 2,854 |
| Operating income (loss) | (397) | (480) | 1,019 |
| Financial expenses, net | (119) | (95) | (248) |
| Other income, net | | 5 | 23 |
| | (516) | (570) | 794 |
| Minority interests in losses of subsidiary | 8 | 10 | 28 |
| Net income (loss) | \$ (508) | \$ (560) | \$ 822 |
| Earnings per share: | | | |
| Basic net earnings per share | \$ (0.03) | \$ (0.03) | \$ 0.04 |
| Diluted net earnings per share | \$ (0.02) | \$ (0.03) | \$ 0.03 |

Company Contact
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Investor Relations Contacts
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SIGNATURES

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

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undersigned, thereunto duly authorized.

Rada Electronic Industries Ltd.
(Registrant)

By: /s/Herzle Bodinger

Herzle Bodinger, Chairman

Date: May 5, 2005