

Edgar Filing: RADA ELECTRONIC INDUSTRIES LTD - Form 6-K

RADA ELECTRONIC INDUSTRIES LTD
Form 6-K
August 02, 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
August 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.

RADA ELECTRONIC INDUSTRIES LTD.

Edgar Filing: RADA ELECTRONIC INDUSTRIES LTD - Form 6-K

6-K Items

1. Press Release re RADA Electronic Industries Announces First Half 2005 Results dated August 1, 2005.

ITEM 1

Press Release

Source: RADA Electronic Industries Ltd.

RADA Electronic Industries Announces First Half 2005 Results

Monday August 1, 9:00 am ET

NETANYA, Israel, August 1 /PRNewswire-FirstCall/ -- RADA Electronic Industries Ltd. (NASDAQ: RADI - News) today reported its financial results for the first half ending June 30, 2005. The company reported earnings of \$6.65 million, compared to earnings of \$6.92 million in the period ending June 30, 2004. Gross profit decreased to \$1.23 million from \$1.68 million. The SG&A costs have increased to \$1.53 million, from \$1.38 in the first half of 2004. As a result the company reported a net loss of \$586,000. This compares to a profit of \$163,000 in the first half of 2004.

Commenting on the results, RADA's CEO, Mr. Adar Azancot stated, "We believe in the products we are developing and in our ability to sell them in the future. We are experiencing an increase in volume and scale of proposals for programs that we are competing for, and we anticipate some positive outcomes before the end of 2005. However, being a provider of components to development programs of new platforms and upgrades of existing platforms, RADA is sensitive to circumstances which determine the timing of the sale of our products."

About RADA

RADA Electronic Industries Ltd. is an Israeli-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 armoured 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.

Edgar Filing: RADA ELECTRONIC INDUSTRIES LTD - Form 6-K

Contact: Elan Sigal- C.F.O
 RADA Electronic Industries Ltd.
 Tel: +972-9-8921111

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands, except share data

| | June 30, 2005 (unaudited) | December 31, 2004 |
|--|---------------------------------|----------------------|
| ASSETS | | |
| CURRENT ASSETS | \$ 9,745 | \$ 8,524 |
| LONG-TERM RECEIVABLES AND DEPOSITS | 3,904 | 3,722 |
| PROPERTY, PLANT AND EQUIPMENT, NET | 4,237 | 4,283 |
| OTHER ASSETS, NET | 2,545 | 1,768 |
| Total assets | \$ 20,431 | \$ 18,297 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | \$ 5,803 | \$ 6,259 |
| LONG-TERM LIABILITIES | 4,806 | 4,409 |
| MINORITY INTERESTS | 386 | 397 |
| SHAREHOLDERS' EQUITY: | | |
| Share capital | | |
| Ordinary shares of NIS 0.005 par value - | | |
| Authorized: 47,500,000 and 45,000,000 shares at | | |
| June 30, 2005 and December 31, 2004, | | |
| respectively; Issued and outstanding: 22,356,032 | | |
| and 20,448,364 shares at June 30, 2005 and | | |
| December 31, 2004, respectively | | |
| Additional paid-in capital | 112 | 110 |
| Warrants | 64,541 | 61,851 |
| Accumulated deficit | 2,321 | 2,223 |
| | (57,538) | (56,952) |
| Total shareholders' equity | 9,436 | 7,232 |
| Total liabilities and shareholders' equity | \$ 20,431 | \$ 18,297 |

CONSOLIDATED STATEMENTS OF OPERATIONS

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

| | Six months ended | Three months ended | Year ended |
|--|------------------|--------------------|------------|
|--|------------------|--------------------|------------|

Edgar Filing: RADA ELECTRONIC INDUSTRIES LTD - Form 6-K

| | June 30, | | June 30, | | December |
|--|-----------|---------|------------|----------|-------------|
| | 2005 | 2004 | 2005 | 2004 | 31, 2004 |
| Revenues: | | | | | |
| | | \$ | | | |
| Products | \$ 5,426 | 5,210 | \$ 3,178 | \$ 4,419 | \$ 11,123 |
| Services | 1,222 | 1,708 | 628 | 814 | 3,037 |
| | 6,648 | 6,918 | 3,806 | 5,233 | 14,160 |
| Cost of revenues: | | | | | |
| Products | 4,817 | 4,360 | 2,590 | 3,285 | 9,111 |
| Services | 596 | 873 | 290 | 587 | 1,176 |
| | 5,413 | 5,233 | 2,880 | 3,872 | 10,287 |
| Gross profit | 1,235 | 1,685 | 926 | 1,361 | 3,873 |
| Operating expenses: | | | | | |
| Marketing and selling | 538 | 410 | 360 | 130 | 738 |
| General and administrative | 997 | 968 | 469 | 444 | 2,116 |
| Total operating expenses: | 1,535 | 1,378 | 829 | 574 | 2,854 |
| Operating income (loss) | (300) | 307 | 97 | 787 | 1,019 |
| Financial expense, net | (297) | (172) | (178) | (77) | (248) |
| Other income, net | - | 10 | - | 5 | 23 |
| | (597) | 145 | (81) | 715 | 794 |
| Minority interests in losses of subsidiary | 11 | 18 | 3 | 8 | 28 |
| Net income (loss) | \$ (586) | \$ 163 | \$ (78) | \$ 723 | \$ 822 |
| Income (loss) per share: | | | | | |
| Basic income (loss) per share | \$ (0.03) | \$ 0.01 | \$ (0.004) | \$ 0.04 | \$ 0.04 |
| Diluted income (loss) per share | \$ (0.03) | \$ 0.01 | \$ (0.004) | \$ 0.03 | \$ 0.03 |

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 undersigned, thereunto duly authorized.

Edgar Filing: RADA ELECTRONIC INDUSTRIES LTD - Form 6-K

Rada Electronic Industries Ltd.
(Registrant)

By: /s/Herzle Bodinger

Herzle Bodinger, Chairman

Date: August 2, 2005