

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

RADA ELECTRONIC INDUSTRIES LTD
Form 6-K
November 27, 2006

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
November 2006

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, 333-117954,
and 333-127491 and Form S-8 Registration Statement File No. 333-111437.

RADA ELECTRONIC INDUSTRIES LTD.

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

1. Press Release re RADA Electronic Industries Announces Q3 2006 Results dated November 27, 2006.

ITEM 1

Press Release

Source: Rada Electronic Industries Ltd

RADA Electronic Industries Announces Q3 2006 Results

Monday November 27, 9:39 am ET

NETANYA, Israel, November 27 /PRNewswire-FirstCall/ -- RADA Electronic Industries Ltd. (Nasdaq SmallCap: RADI - News) today reported its financial results for the three months period ended September 30, 2006. The company reported revenues in the three months period of \$2.9 million, compared to revenues of \$2.5 million for the same period in 2005. For the three months ended September 30, 2006 cost of revenues decreased to \$1.8 million from \$2.9 million in the comparable period in 2005 and operating expenses increased to \$0.69 million from \$0.62 in the comparable period in 2005. As a result, the company reported a net profit of \$15 thousand for the three months ended September 30, 2006 compared to a net loss of \$1.2 million for the same period in 2005.

Commenting on the results, Major General (Ret.) Herzle Bodinger, RADA's CEO said, "The profit that we are reporting for the third quarter shows that the investment of the company over the last two years is starting to materialize. Over the last two years RADA invested in new products and we are continuing to do so. Our ability to provide state of the art products, meeting the technical and economical requirements, shows the strength of RADA as an efficient company with great capabilities. Our marketing efforts are continuing as well as we are focusing on our main markets in Israel, U.S., and India.

MR. Bodinger added, "The Company reported a marginal profit. I believe that the trend of improvement will continue into the last quarter of this year, and will partially compensate for the loss in the two first quarters of 2006."

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

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

Securities and Exchange Commission.

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

CONSOLIDATED BALANCE SHEETS

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

	September 30, 2006 Unaudited	December 31, 2005 Audited
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,809	\$ 350
Restricted cash	1,062	1,017
Trade receivables (net of allowance for doubtful accounts of \$ 0 and \$ 6 at September 30, 2006 and December 31, 2005, respectively)	2,049	4,920
Other receivables and prepaid expenses	369	156
Costs and estimated earnings in excess of billings on uncompleted contracts	1,072	1,396
Inventories	3,038	1,942
Total current assets	9,399	9,781
LONG-TERM RECEIVABLES AND DEPOSITS:		
Long-term receivables	983	983
Leasing deposits	78	72
Severance pay fund	1,665	1,614
Total long-term receivables and deposits	2,726	2,669
PROPERTY AND EQUIPMENT, NET	3,394	3,931
OTHER ASSETS:		
Intangible assets, net	2,079	2,469
Deferred charges, net	20	40
Total other assets	2,099	2,509
Total assets	\$ 17,618	\$ 18,890
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term bank credit and loans	\$ 1,731	\$ 877
Trade payables	1,588	1,671
Other payables and accrued expenses	3,031	3,217
Deferred revenues	600	50
Billings in excess of costs and estimated earnings on uncompleted contracts	167	391
Total current liabilities	7,117	6,206
LONG-TERM LIABILITIES:		
Convertible note	2,790	2,560
Accrued severance pay	2,049	2,009
Total long-term liabilities	4,839	4,569
MINORITY INTERESTS	387	380
SHAREHOLDERS' EQUITY:		
Share capital		

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

Ordinary shares of NIS 0.005 par value -
 Authorized: 47,500,000 shares at September 30, 2006
 and December 31, 2005; Issued and outstanding:
 26,170,527 and 26,144,027 shares at September 30,
 2006 and December 31, 2005, respectively

Additional paid-in capital	116	116
Accumulated deficit	66,974	66,900
Total shareholders' equity	(61,815)	(59,281)
Total liabilities and shareholders' equity	5,275	7,735
	\$ 17,618	\$ 18,890

CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Nine months ended		Three months ended		Year ended
	September 30,		September 30,		December 31,
	2006	2005	2006	2005	2005
		(Unaudited)	(Audited)		
Revenues	\$ 7,456	\$ 9,171	\$ 2,879	\$ 2,523	\$ 13,421
Cost of revenues	7,259	8,348	1,843	2,935	12,310
Gross profit (loss)	197	823	1,036	(412)	1,111
Operating expenses:					
Research and development	139	-	70	-	-
Marketing and selling	939	717	377	179	927
General and administrative	1,041	1,441	241	444	1,939
Total operating expenses:	2,119	2,158	688	623	2,866
Operating income (loss)	(1,922)	(1,335)	348	(1,035)	(1,755)
Financial expense, net	650	464	303	167	624
Other expenses (income), net	(45)	-	23	-	(33)
	(2,527)	(1,799)	22	(1,202)	(2,346)
Minority interests in losses (gain) of subsidiary	(7)	14	(7)	3	17
Net income (loss)	\$ (2,534)	\$ (1,785)	\$ 15	\$ (1,199)	\$ (2,329)
Net income (loss) per share:					
Basic and diluted net income (loss) per share	\$ (0.10)	\$ (0.09)	\$ 0.001	\$ (0.06)	\$ (0.10)

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

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.

Rada Electronic Industries Ltd.
(Registrant)

By: /s/Herzle Bodinger

Herzle Bodinger, Chairman

Date: November 27, 2006