

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

RADA ELECTRONIC INDUSTRIES LTD
Form 6-K
February 26, 2004

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
February 2004

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 Company's Form F-3 Registration Statement File No. 333-11716.

RADA ELECTRONIC INDUSTRIES LTD.

6-K Items

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1. Press Release re RADA Electronic Industries Announces Full Year 2003 Results with Significant Growth in Revenues dated February 26, 2004.

ITEM 1

Press Release

Source: Rada Electronic Industries Ltd

RADA Electronic Industries Announces Full Year 2003 Results with Significant Growth in Revenues. RADA Has Achieved \$758,000 Net Profit after Six Years of Losses

Thursday February 26, 1:36 pm ET

NETANYA, Israel, February 26 /PRNewswire-FirstCall/ --

RADA Electronic Industries Ltd. (Nasdaq SmallCap: RADIF - News) today reported its financial results for the year ended December 31, 2003. The company reported net profit of \$758,000 after six years of losses. Revenues in 2003 increased by 18% to \$12.3 million. The Company's net income of \$758,000, or \$0.04 per share, compares with a loss of \$2.5 million, or \$0.15 per share, for the year ended December 31, 2002. Gross operating margin increased to 22% in 2003 from 11% at 2002.

Commenting on the results, RADA's CEO, Mr. Adar Azancot stated, "2003 was an important year for RADA, as the impact of the efforts of management and employees over the past five years began to materialize. We foresee continued growth in 2004 and expect that our operating results will continue to improve, as we emerge from our turnaround period. We have defined both a short and long term growth strategy for our company and we are implementing those actions that are necessary to achieve our growth targets."

About RADA

RADA Electronic Industries Ltd. is an Israel based company involved in the military and commercial aerospace industries, with 110 staff. The company specializes in Avionics, Ground Debriefing Stations (Video, ACMI and Maintenance) and Automatic Test Equipment.

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 Reports on Form 20-F and other filings with the Securities and Exchange Commission.

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CONSOLIDATED BALANCE SHEETS

US dollars in thousands, except share and per share data

	December 31,	
	2003	2002
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 467	\$ 570
Trade receivables (net of allowance for doubtful accounts of \$ 214 at December 31, 2003 and 2002, respectively)	3,496	1,832
Other accounts receivable and prepaid expenses	250	93
Cost and estimated earnings in excess of billing on uncompleted contracts	176	-
Inventories	873	1,077
Total current assets	5,262	3,572
LONG-TERM RECEIVABLES AND DEPOSITS:		
Long-term receivables	990	893
Leasing deposits	71	70
Severance pay fund	1,511	1,334
	2,572	2,297
PROPERTY AND EQUIPMENT, NET	4,728	5,611
INTANGIBLE ASSETS, NET	1,987	3,127
Total assets	\$ 14,549	\$ 14,607
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term bank credit and loans	\$ 2,343	\$ 5,697
Trade payables	640	635
Other accounts payable and accrued expenses	3,317	2,949
Deferred revenues	1,062	1,771
Billings in excess of costs and estimated earnings on uncompleted contracts	1,836	575
Total current liabilities	9,198	11,627
ACCRUED SEVERANCE PAY	2,048	2,043
CONTINGENCIES, COMMITMENTS AND CHARGES		
MINORITY INTEREST	425	452
SHAREHOLDERS' EQUITY:		
Share capital		
Ordinary shares of NIS 0.005 par value - Authorized: 45,000,000 shares at December 31, 2003 and 2002; Issued and outstanding: 18,510,716 shares at December 31, 2003 and 2002	108	108
Additional paid-in capital	59,139	58,785
Warrants	1,405	124
Accumulated deficit	(57,774)	(58,532)

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Total shareholders' equity	2,878	485
Total liabilities and shareholders' equity	\$ 14,549	\$ 14,607

CONSOLIDATED STATEMENTS OF OPERATIONS

US dollars in thousands, except share and per share data

	Year ended December 31,		
	2003	2002	2001
Revenues:			
Products	\$ 8,977	\$ 6,773	\$ 5,883
Services	3,338	3,626	2,459
	12,315	10,399	8,342
Cost of revenues:			
Products	6,933	6,685	6,079
Services	2,659	2,538	1,337
	9,592	9,223	7,416
Gross profit	2,723	1,176	926
Operating expenses:			
Research and development expenses	-	122	534
Marketing, selling, general and administrative expenses	2,698	3,089	3,617
Total operating expenses	2,698	3,211	4,151
Operating income (loss)	25	(2,035)	(3,225)
Financial income (expenses), net	708	(364)	(210)
Other expenses, net	(2)	(290)	(30)
	731	(2,689)	(3,465)
Minority interest in losses of subsidiaries	27	206	96
Net income (loss)	\$ 758	\$ (2,483)	\$ (3,369)
Basic net income (loss) per share	\$ 0.04	\$ (0.15)	\$ (0.24)
Diluted net income (loss) per share	\$ 0.04	\$ (0.15)	\$ (0.24)
Weighted average number of shares used in computing basic net income (loss) per share (in thousands)	18,511	16,555	13,817
Weighted average number of shares used in computing diluted net income (loss) per share (in thousands)	19,704	16,555	13,817

Contact:

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

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: February 26, 2004