

RADA ELECTRONIC INDUSTRIES LTD
Form 6-K
March 10, 2008

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
March 2008

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.

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1. Press Release re RADA Electronic Industries Announces Full Year 2007 Results dated March 6, 2008.

ITEM 1

Press Release

Source: RADA Electronic Industries Ltd

RADA Electronic Industries Announces Full Year 2007 Results

Thursday March 6, 3:08 pm ET

NETANYA, Israel, March 6 /PRNewswire-FirstCall/ -- RADA Electronic Industries Ltd. (Nasdaq: RADA - News) today reported its financial results for the year ended December 31, 2007. The company reported a net loss of \$1.1 million or \$0.12 per share. This compares with a net loss of \$2.0 million or \$0.23 per share, for the year ended December 31, 2006. Revenues in 2007 were \$14.0 million, an increase of 8% from 2006. The company's gross margin increased to 24% in 2007 from 16% in 2006. The company's operating loss for the year was \$387,000 compared with an operating loss of \$1.3 million in 2006.

Commenting on the results, Zvika Alon, RADA's CEO said, "Our financial results in 2007 improved over the last two years. The improvement is mainly due to the higher gross profit margin on our off-the-shelf products. We expect that our production deliveries will continue to increase in 2008 and we plan to continue investing during 2008 in research and development primarily in our new Inertial Navigation product line. Our marketing efforts during 2007 were very successful resulting in an increased backlog. We are continuing these efforts, focusing on our main markets in Israel, U.S. and India."

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), Trainer Aircraft 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.

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CONSOLIDATED BALANCE SHEETS

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

| | December 31, | |
|---|------------------|------------------|
| | 2007 | 2006 |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 835 | \$ 990 |
| Restricted cash | 598 | 704 |
| Trade receivables (net of allowance for doubtful accounts of \$ 62 and \$ 34 at December 31, 2007 and 2006, respectively) | 4,907 | 4,296 |
| Other accounts receivable and prepaid expenses | 305 | 200 |
| Costs and estimated earnings in excess of billings on uncompleted contracts | 701 | 668 |
| Inventories | 2,609 | 2,468 |
| Total current assets | 9,955 | 9,326 |
| LONG-TERM RECEIVABLES AND DEPOSITS: | | |
| Long-term receivables | 983 | 983 |
| Leasing deposits | 57 | 78 |
| Severance pay fund | 2,038 | 1,624 |
| Total long-term receivables and deposits | 3,078 | 2,685 |
| PROPERTY, PLANT AND EQUIPMENT, NET | 2,745 | 3,359 |
| OTHER ASSETS: | | |
| Intangible assets, net | 1,414 | 1,906 |
| Goodwill | 214 | 166 |
| Deferred charges, net | - | 13 |
| Total other assets | 1,628 | 2,085 |
| Total assets | \$ 17,406 | \$ 17,455 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Short-term bank credit and current maturities of long-term loans | \$ 490 | \$ 559 |
| Convertible note | - | 2,858 |
| Trade payables | 1,472 | 1,611 |
| Other accounts payable and accrued expenses | 3,666 | 3,419 |
| Deferred revenues | 181 | 84 |
| Billings in excess of costs and estimated earnings on uncompleted contracts | 88 | 285 |
| Total current liabilities | 5,897 | 8,816 |
| LONG-TERM LIABILITIES: | | |
| Long-term loan | - | 142 |
| Loan from shareholders, net | 261 | - |
| Convertible note from a shareholder, net | 1,622 | - |
| Accrued severance pay | 2,442 | 2,026 |
| Total long-term liabilities | 4,325 | 2,168 |

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| | | |
|--------------------|-----|-----|
| MINORITY INTERESTS | 459 | 397 |
|--------------------|-----|-----|

SHAREHOLDERS' EQUITY

| | | |
|--|-----------|-----------|
| Share capital - | | |
| Ordinary shares of NIS 0.015 par value - | | |
| Authorized: 16,333,333 shares at December 31, 2007 | | |
| and 2006; Issued and outstanding: 8,705,788 shares | | |
| at December 31, 2007 and 2006 | | |
| Additional paid-in capital | 116 | 116 |
| Accumulated deficit | 68,968 | 67,239 |
| | (62,359) | (61,281) |
| | | |
| Total shareholders' equity | 6,725 | 6,074 |
| Total liabilities and shareholders' equity | \$ 17,406 | \$ 17,455 |

CONSOLIDATED STATEMENTS OF OPERATIONS

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

| | Year ended December 31, | | |
|--|-------------------------|------------|------------|
| | 2007 | 2006 | 2005 |
| Revenues: | | | |
| Products | \$ 11,704 | \$ 10,984 | \$ 11,303 |
| Services | 2,317 | 2,053 | 2,118 |
| | 14,021 | 13,037 | 13,421 |
| Cost of revenues: | | | |
| Products | 9,501 | 9,517 | 10,601 |
| Services | 1,180 | 1,482 | 1,481 |
| | 10,681 | 10,999 | 12,082 |
| Gross profit | 3,340 | 2,038 | 1,339 |
| Operating costs and expenses: | | | |
| Research and development | 324 | 181 | - |
| Marketing and selling | 1,213 | 1,316 | 1,155 |
| General and administrative | 2,190 | 1,794 | 1,939 |
| Total operating costs and expenses | 3,727 | 3,291 | 3,094 |
| Operating loss | (387) | (1,253) | (1,755) |
| Financial expenses, net | (629) | (775) | (624) |
| Other income, net | - | 45 | 33 |
| | (1,016) | (1,983) | (2,346) |
| Minority interests in losses (earnings) of a subsidiary | (62) | (17) | 17 |
| Net loss | \$ (1,078) | \$ (2,000) | \$ (2,329) |
| Net loss per share: | | | |
| Basic net loss per share | \$ (0.12) | \$ (0.23) | \$ (0.31) |
| Diluted net loss per share | \$ (0.12) | \$ (0.23) | \$ (0.31) |

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Contact: Shiri Lazarovich- C.F.O
RADA Electronic Industries Ltd.
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SIGNATURE

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
President and Chairman

Date: March 10, 2008