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RADA ELECTRONIC INDUSTRIES LTD
Form 6-K
June 30, 2003

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 June 2003

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

1. Press Release re RADA Electronic Industries Ltd. Year-End Results for

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December 31, 2002; Achieves Positive EBIDTA After 6 Consecutive Years of EBIDTA Losses dated June 30, 2003.

ITEM 1

Press Release

Source: RADA Electronic Industries Ltd.

RADA Electronic Industries Ltd. Year-End Results for December 31, 2002; Achieves Positive EBIDTA After 6 Consecutive Years of EBIDTA Losses

Monday June 30, 9:59 am ET

NETANYA, Israel, June 30 /PRNewswire-FirstCall/ -- RADA Electronic Industries Ltd. (Nasdaq: RADIF - News) today reported its financial results for the year ended December 31, 2002. The company reported a 25% increase in revenues for the year ended December 31, 2002 to \$10.4 million, up from \$8.3 million for the year ended December 31, 2001. The Company's net loss for the year ended December 31, 2002 declined to \$2.5 million (or \$0.15 per share) from \$3.4 million (or \$0.24 per share) for the year ended December 31, 2001. The Company reported Earnings Before Interest Depreciation, Taxes and Amortization (EBIDTA) of approximately \$276,000 for the year ended December 31, 2002 compared to an EBIDTA loss of \$1.2 million in 2001 and losses in each of the previous five years.

Although the Company reported shareholders' equity of approximately \$485,000 at December 31, 2002, it anticipates that as a result of the recently signed memorandum of agreement with its banks to restructure approximately \$3.4 million in debt, its shareholders' equity as of December 31, 2002, on a pro forma basis giving effect to the restructuring, would be approximately \$2.8 million.

RADA's President, Gen. (Res.) Herzle Bodinger, former Commander of the Israeli Air Force, stated, "2002 was a significant year for RADA as we were able to report EBDITA for the first time in six years and continue the trend of improved financial results over last six years" Gen. Bodinger noted that "Our forecast indicates continued growth in 2003 and we expect that our operating results will continue to improve over 2002."

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

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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.

Contact: Adar Azancot - C.E.O
 RADA Electronic Industries Ltd.
 Tel: 011-972-9-8921109

RADA ELECTRONIC INDUSTRIES LIMITED AND ITS SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

In thousands of U.S. dollars, except per share data

	December 31,	
	2002	2001
Current assets		
Cash and cash equivalents	\$ 570	\$ 74
Trade receivables (net of allowance for doubtful accounts of \$214 and \$189 as of December 31, 2002 and 2001, respectively)	1,832	817
Other receivables and prepaid expenses	93	67
Costs and estimated earnings in excess of billings on uncompleted contracts	--	109
Inventories	1,077	1,616
Total current assets	3,572	2,683
Long-term receivables and deposits		
Long-term receivables	893	1,163
Leasing deposits	70	--
Severance pay funds	1,334	1,351
	2,297	2,514
Property and equipment, net		
Cost	16,456	19,037
Less - accumulated depreciation	10,845	12,010
Total property and equipment, net	5,611	7,027
Intangible assets, net	3,127	4,108
Total assets	\$ 14,607	\$ 16,332
Current liabilities		
Short-term bank credits and loans	\$ 5,697	\$ 5,920
Trade payables	635	797
Other payables and accrued expenses	2,949	2,825
Deferred revenues	1,771	2,363
Billings in excess of costs and estimated earnings on uncompleted contracts	575	224
Total current liabilities	11,627	12,129
Long-term liabilities		
Accrued severance pay	2,043	1,784
Loan due to a related party	--	1,061
	2,043	2,845
Contingencies, commitments and liens		

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Minority interests	452	658
Shareholders' equity		
Share capital		
Ordinary shares of NIS 0.005 par value:		
Authorized - 45,000,000 and		
26,000,000 shares as of December 31, 2002		
and 2001, respectively; Issued		
and outstanding - 18,510,716 and		
13,816,839 shares as of		
December 31, 2002 and 2001, respectively		
	108	103
Additional paid-in capital	58,785	56,646
Warrants	124	--
Accumulated deficit	(58,532)	(56,049)
Total shareholders' equity	485	700
Total liabilities and shareholders' equity	\$ 14,607	\$ 16,332

RADA ELECTRONIC INDUSTRIES LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
In thousands of U.S. dollars, except per share data

	Year ended December 31,		
	2002	2001	2000
Revenues			
Products	\$ 6,773	\$ 5,883	\$ 2,583
Services	3,626	2,459	1,233
	10,399	8,342	3,816
Cost of revenues			
Products	6,685	6,079	4,071
Services	2,538	1,337	1,236
	9,223	7,416	5,307
Gross profit (loss)	1,176	926	(1,491)
Operating expenses			
Research and development expenses	122	534	730
Marketing, selling, general and administrative expenses	3,089	3,617	3,612
Total operating expenses	3,211	4,151	4,342
Operating loss	(2,035)	(3,225)	(5,833)
Financing expenses, net	(364)	(210)	(861)
Other income (expenses), net	(290)	(30)	563
	(2,689)	(3,465)	(6,131)
Minority interest in losses of subsidiaries	206	96	32
Net loss	\$ (2,483)	\$ (3,369)	\$ (6,099)
Basic and diluted net loss per share	\$ (0.15)	\$ (0.24)	\$ (0.46)

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Weighted average number of Ordinary shares used in computing basic and diluted net loss per share (in thousands)	16,555	13,817	13,305
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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 undersigned, thereunto duly authorized.

Rada Electronic Industries Ltd.
(Registrant)

By: /s/Herzle Bodinger

Herzle Bodinger, Chairman

Date: June 30, 2003