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RADA ELECTRONIC INDUSTRIES LTD
Form 6-K
June 01, 2007

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 2007

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.

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6-K Items

1. Press Release re RADA Electronic Industries Announces Q1 2007 Results dated May 24, 2007.

ITEM 1

Press Release

Source: RADA Electronic Industries Ltd

RADA Electronic Industries Announces Q1 2007 Results

Thursday May 24, 9:01 am ET

NETANYA, Israel, May 24 /PRNewswire-FirstCall/ -- RADA Electronic Industries Ltd. (Nasdaq SmallCap: RADA - News) today reported its financial results for the first quarter ended March 31, 2007. The company reported revenues of \$2.75 million, compared to revenues of \$2 million in the period ending March 31, 2006. Cost of revenues decreased to \$2.28 million from \$2.43 million. The operating expenses have increased to \$812,000 for the quarter, from \$708,000 in the first quarter of 2006. As a result, the company reported net loss of \$0.5 million. This compares to a net loss of \$1.19 million in the first quarter of 2006.

Commenting on the results, Major General (Ret.) Herzle Bodinger, RADA's CEO said, "Although we presented a loss this quarter, we see that the Q1 2007 results have improved comparing to the Q1 2006 results. Traditionally we are experiencing that the first quarter of the year is weaker than other quarters and we maintain our view that throughout the year we will continue to show improvement. The improvement is a result of our investments over the past two years, both in new products and business relations."

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 Securities and Exchange Commission.

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CONSOLIDATED BALANCE SHEETS

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

| | March 31, 2007 Unaudited | December 31, 2006 Audited |
|---|--------------------------------|---------------------------------|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 1,249 | \$ 990 |
| Restricted cash | 712 | 704 |
| Trade receivables (net of allowance for doubtful accounts of \$ 34 at March 31, 2007 and December 31, 2006) | 2,963 | 4,296 |
| Other accounts receivable and prepaid expenses | 473 | 200 |
| Costs and estimated earnings in excess of billings on uncompleted contracts | 665 | 668 |
| Inventories | 2,598 | 2,468 |
| Total current assets | 8,660 | 9,326 |
| LONG-TERM RECEIVABLES AND DEPOSITS: | | |
| Long-term receivables | 983 | 983 |
| Leasing deposits | 68 | 78 |
| Severance pay fund | 1,709 | 1,624 |
| Total long-term receivables and deposits | 2,760 | 2,685 |
| PROPERTY AND EQUIPMENT, NET | 3,270 | 3,359 |
| OTHER ASSETS: | | |
| Intangible assets, net and goodwill | 1,949 | 2,072 |
| Deferred charges, net | 6 | 13 |
| Total other assets | 1,955 | 2,085 |
| Total assets | \$ 16,645 | \$ 17,455 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Short-term bank credit and current maturities of long-term loans | \$ 530 | \$ 559 |
| Convertible note | 2,931 | 2,858 |
| Trade payables | 1,310 | 1,611 |
| Other accounts payable and accrued expenses | 3,288 | 3,419 |
| Deferred revenues | 73 | 84 |
| Billings in excess of costs and estimated earnings on uncompleted contracts | 260 | 285 |
| Total current liabilities | 8,392 | 8,816 |
| LONG-TERM LIABILITIES: | | |
| Long-term loan | 107 | 142 |
| Accrued severance pay | 2,117 | 2,026 |
| Total long-term liabilities | 2,224 | 2,168 |
| MINORITY INTERESTS | 407 | 397 |
| SHAREHOLDERS' EQUITY: | | |
| Share capital - | | |
| Ordinary shares of NIS 0.015 par value - | | |

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Authorized: 16,333,333 shares at March 31, 2007 and December 31, 2006; Issued and outstanding: 8,728,509 shares at March 31, 2007 and December 31, 2006

| | | |
|--|-----------|-----------|
| Additional paid-in capital | 116 | 116 |
| Accumulated deficit | 67,318 | 67,239 |
| Total shareholders' equity | (61,812) | (61,281) |
| Total liabilities and shareholders' equity | 5,622 | 6,074 |
| | \$ 16,645 | \$ 17,455 |

CONSOLIDATED STATEMENTS OF OPERATIONS

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

| | Three months ended | | Year ended |
|---|--------------------|------------|------------|
| | March 31, | | December |
| | 2007 | 2006 | 31, |
| | (unaudited) | | 2006 |
| | | | (audited) |
| Revenues | 2,754 | 2,007 | 13,037 |
| Cost of revenues | 2,281 | 2,433 | 10,999 |
| Gross profit (loss) | 473 | (426) | 2,038 |
| Operating expenses: | | | |
| Research and development | 55 | 25 | 181 |
| Marketing and selling | 299 | 288 | 1,316 |
| General and administrative | 458 | 395 | 1,794 |
| Total operating expenses | 812 | 708 | 3,291 |
| Operating loss | (339) | (1,134) | (1,253) |
| Financial expenses, net | (182) | (120) | (775) |
| Other income, net | - | 71 | 45 |
| | (521) | (1,183) | (1,983) |
| Minority interests in profits of subsidiary | (10) | (9) | (17) |
| Net loss for the period | \$ (531) | \$ (1,192) | \$ (2,000) |
| Loss per share: | | | |
| Basic and diluted loss per share | \$ (0.06) | \$ (0.15) | \$ (0.23) |

Contact:

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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 1, 2007