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FREQUENCY ELECTRONICS INC
Form 8-K
June 27, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): June 21, 2007

FREQUENCY ELECTRONICS, INC.

(Exact name of registrant as specified in its charter)

| | | |
|--|--|--|
| Delaware ----- (State or other jurisdiction of incorporation) | 1-8061 ----- (Commission File Number) | 11-1986657 ----- (I.R.S. Employer Identification No.) |
|--|--|--|

| | |
|--|------------------------------|
| 55 Charles Lindbergh Blvd., Mitchel Field, NY ----- (Address of principal executive offices) | 11553 ----- (Zip Code) |
|--|------------------------------|

(516) 794-4500

(Registrant's telephone number, including area code)

NONE

(Former name, former address and former fiscal year,
if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

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|_| Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 8.01 Other Items

Effective June 21, 2007, Frequency Electronics, Inc., ("Frequency") completed the sale of 28.5% of the outstanding shares of Morion, Inc. ("Morion") to Finproject, Ltd. ("Finproject"), a wholly-owned subsidiary of Gazprombank, a Russian government majority-owned bank. Earlier this year, the Russian Federation declared Morion to be in a "strategic industry." Russian Federation regulations limit the ownership by foreign entities or non-Russian investors in companies with a strategic industry designation. As a consequence, Finproject acquired the majority interest in Morion, which included the purchase of a portion of the shares previously held by Frequency. Frequency received total proceeds of approximately \$5.8 million, and as a result, will recognize a pre-tax book gain of approximately \$3.1 million in the first quarter of fiscal year 2008, which ends July 31, 2007. In future periods, Frequency will account for its remaining 8% interest in Morion on the cost basis.

ITEM 9.01 (c). EXHIBITS.

99.1 Press Release of Frequency Electronics, Inc., dated June 26, 2007.

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 hereunto duly authorized.

FREQUENCY ELECTRONICS, INC.

By: /s/ Alan Miller

Alan Miller
Chief Financial Officer
and Treasurer

Dated: June 27, 2007

EXHIBIT INDEX

| Exhibit No. | Description | Paper (P) or Electronic (E) |
|-------------|--|--------------------------------|
| ----- | ----- | ----- |
| 99.1 | Press Release of Frequency Electronics, Inc., dated June 26, 2007. | E |