SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10Q

(Mark one)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period ended January 31, 2003

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from __________ to __________

Commission File No. 1-8061

FREQUENCY ELECTRONICS, INC.
(Exact name of Registrant as specified in its charter)

Delaware	11-1986657
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
55 CHARLES LINDBERGH BLVD., MITCHEL FIELD, N.Y.	11553
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 516-794-4500

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of shares outstanding of Registrant's Common Stock, par value $1.00 as of March 10, 2003 - 8,329,716

Frequency Electronics, Inc. and Subsidiaries

INDEX

Frequency Electronics, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

	January 31, 2003 (UNAUDITED)	April 30, 2002 (NOTE A)
	(In thousands)	
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 4,742	$ 5,383
Marketable securities	27,963	30,848
Accounts receivable, net of allowance for doubtful accounts of $124	10,477	11,725
Inventories	21,588	19,601
Deferred income taxes	4,188	3,645
Prepaid expenses and other	2,210	2,678
Total current assets	71,168	73,880
Property, plant and equipment, at cost, less accumulated depreciation and amortization	11,102	11,361
Deferred income taxes	267	280
Goodwill	6,494	4,938
Other assets	5,670	5,552
Total assets	$94,701	$96,011

See accompanying notes to condensed consolidated financial statements.

Frequency Electronics, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (Continued)

	January 31, 2003 (UNAUDITED)	April 30, 2002 (NOTE A)
	(In thousands)	
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable - trade	$ 1,003	$ 2,359
Accrued liabilities and other	3,484	4,457
Dividend payable	-	833
Total current liabilities	4,487	7,649
Deferred compensation	6,864	6,496
REIT liability and other liabilities	11,467	11,300
Total liabilities	22,818	25,445
Minority interest in subsidiary	190	224
Stockholders' equity:		
Preferred stock - $1.00 par value	-0-	-0-
Common stock - $1.00 par value	9,164	9,164
Additional paid-in capital	43,727	43,077
Retained earnings	20,109	20,939
	73,000	73,180
Common stock reacquired and held in treasury -at cost, 836,224 shares at January 31, 2003 and 830,074 shares at April 30, 2002	(3,101)	(2,806)
Other stockholders' equity	(116)	(116)
Accumulated other comprehensive income	1,910	84
Total stockholders' equity	71,693	70,342
Total liabilities and stockholders' equity	$94,701	$96,011

See accompanying notes to condensed consolidated financial statements.

Frequency Electronics, Inc. and Subsidiaries
Consolidated Condensed Statements of Operations

Nine Months Ended January 31,
(Unaudited)

	2003	2002
	(In thousands except per share data)	
Net sales	$24,518	$32,100
Cost of sales	16,769	19,963
Gross margin	7,749	12,137
Selling and administrative expenses	6,041	6,404
Research and development expenses	2,941	4,235
Operating (loss) profit	(1,233)	1,498
Other income (expense):		
Investment income	1,341	1,659
Interest expense	(190)	(221)
Other income (expense), net	55	(56)
(Loss) Income before minority interest and provision for income taxes	(27)	2,880
Minority Interest in (loss) income of consolidated subsidiary	(38)	2
Income before provision for income taxes	11	2,878
Provision for income taxes	10	920
Net income	$ 1	$ 1,958
Net earnings per common share		
Basic	$ 0.00	$ 0.23
Diluted	$ 0.00	$ 0.23
Average shares outstanding		
Basic	8,330,367	8,345,439
Diluted	8,393,651	8,531,732

See accompanying notes to condensed consolidated financial statements.

Frequency Electronics, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations

Three Months Ended January 31,
(Unaudited)

	2003	2002
	(In thousands except per share data)	
Net sales	$ 9,390	$ 9,565
Cost of sales	6,317	5,939
Gross Margin	3,073	3,626
Selling and administrative expenses	2,099	2,163
Research and development expense	1,269	1,365
Operating (loss) profit	(295)	98
Other income (expense):		
Investment income	559	482
Interest expense	(74)	(67)
Other income (expense), net	140	(27)
Income before minority interest and provision for income taxes	330	486
Minority Interest in (loss) income of consolidated subsidiary	(16)	10
Income before provision for income taxes	346	476
Provision for income taxes	107	150
Net income	$ 239	$ 326
Net earnings per common share		
Basic	$ 0.03	$ 0.04
Diluted	$ 0.03	$ 0.04
Average shares outstanding		
Basic	8,318,481	8,357,402
Diluted	8,390,162	8,539,114

See accompanying notes to condensed consolidated financial statements.

Frequency Electronics, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows

Nine Months Ended January 31,
(Unaudited)

	2003	2002
	(In thousands)	
Cash flows from operating activities:		
Net income	$ 1	$ 1,958
Non-cash charges to earnings	1,781	1,081
Net changes in other assets and liabilities	(1,403)	(199)
Net cash provided by operating activities	379	2,840
Cash flows from investing activities:		
Proceeds from sale of marketable securities	8,067	10,641
Purchase of marketable securities	(6,484)	(7,855)
Proceeds from sale of fixed assets	268	-
Purchase of fixed assets	(482)	(1,132)
Net cash provided by investing activities	1,369	1,654
Cash flows from financing activities:		
Payment of cash dividend	(1,664)	(1,660)
Payment of debt, net	(537)	(509)
Repurchase of stock for treasury	(501)	-
Other - net	30	(89)
Net cash used in financing activities	(2,672)	(2,258)
Net (decrease) increase in cash and cash equivalents before effect of exchange rate changes	(924)	2,236
Effect of exchange rate changes on cash and cash equivalents	283	6
Net (decrease) increase in cash	(641)	2,242
Cash at beginning of period	5,383	2,121
Cash at end of period	$ 4,742	$ 4,363

See accompanying notes to condensed consolidated financial statements.

NOTE A - CONSOLIDATED FINANCIAL STATEMENTS

In the opinion of management of the Company, the accompanying unaudited condensed consolidated interim financial statements reflect all adjustments (which include only normal recurring adjustments) necessary to present fairly, in all material respects, the consolidated financial position of the Company as of January 31, 2003 and the results of its operations for the nine and three months and cash flows for the nine months ended January 31, 2003 and 2002. The April 30, 2002 condensed consolidated balance sheet was derived from audited financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. It is suggested that these condensed consolidated financial statements be read in conjunction with the financial statements and notes thereto included in the Company's April 30, 2002 Annual Report to Stockholders. The results of operations for such interim periods are not necessarily indicative of the operating results for the full year.

NOTE B - EARNINGS PER SHARE

Reconciliation of the weighted average shares outstanding for basic and diluted Earnings Per Share are as follows:

	Periods ended January 31,			
	Nine months		Three months	
	2003	2002	2003	2002
Basic EPS Shares outstanding (weighted average)	8,330,367	8,345,439	8,318,481	8,357,402
Effect of Dilutive Securities	63,284	186,293	71,681	181,712
Diluted EPS Shares outstanding	8,393,651	8,531,732	8,390,162	8,539,114

Options to purchase 777,387 and 665,437 shares of common stock were outstanding during the nine and three months ended January 31, 2003, respectively, and 243,250 shares of common stock were outstanding during the same periods ended January 31, 2002, but were not included in the computation of diluted earnings per share. Since the exercise price of these options was greater than the average market price of the Company's common shares during the respective periods, their inclusion in the computation would have been antidilutive. Consequently, these options are excluded from the computation of earnings per share.

NOTE C - ACCOUNTS RECEIVABLE

Accounts receivable at January 31, 2003 and April 30, 2002 include costs and estimated earnings in excess of billings on uncompleted contracts accounted for on the percentage of completion basis of approximately $3,115,000 and $2,027,000, respectively. Such amounts represent revenue recognized on long-term contracts that had not been billed at the balance sheet dates. Such amounts are billed pursuant to contract terms.

NOTE D - INVENTORIES

Inventories, which are reported net of reserves of $3,214,000 and $2,941,000 at January 31, 2003 and April 30, 2002, respectively, consist of the following:

	January 31, 2003	April 30, 2002
	(In thousands)	
Raw materials and Component parts	$ 8,106	$ 8,946
Work in progress and Finished goods	13,482	10,655
	$21,588	$19,601

NOTE E - -COMPREHENSIVE INCOME

For the nine months ended January 31, 2003 and 2002, total comprehensive income was $1,827,000 and $1,660,000, respectively. Comprehensive income is composed of net income or loss for the period plus the impact of foreign currency translation adjustments and the change in the valuation allowance on marketable securities.

NOTE F - SEGMENT INFORMATION

The Company operates under three reportable segments:

1. Commercial communications - consists principally of time and frequency control products used in two principal markets- commercial communication satellites and terrestrial cellular telephone or other ground-based telecommunication stations.
2. U.S. Government - consists of time and frequency control products used for national defense or space-related programs.
3. Gillam-FEI - the products of the Company's Belgian subsidiary consist primarily of wireline synchronization and network monitoring systems.

The table below presents information about reported segments with reconciliation of segment amounts to consolidated amounts as reported in the statement of operations or the balance sheet for each of the periods (in thousands):

	Nine months		Three months	
	Periods ended January 31,			
	2003	2002	2003	2002
Net sales:				
Commercial Communications	$12,032	$22,652	$4,944	$6,220
U.S. Government	6,857	2,894	2,572	1,148
Gillam-FEI	6,135	7,322	2,083	2,466
less intercompany sales	(506)	(768)	(209)	(269)
Consolidated Sales	$24,518	$32,100	$9,390	$9,565
Operating profit (loss):				
Commercial Communications	$(2,205)	$1,906	$ (882)	$ 245
U.S. Government	1,772	709	819	225
Gillam-FEI	(403)	(359)	(133)	(120)
less intercompany transactions	(32)	(213)	(15)	(106)
Corporate	(365)	(545)	(84)	(146)
Consolidated Operating (Loss) Profit	$ (1,233)	$1,498	$ (295)	$ 98

	January 31, 2003	April 30, 2002
Identifiable assets:		
Commercial Communications	$19,250	$21,101
U.S. Government	6,433	3,176
Gillam-FEI	18,952	17,956
less intercompany balances	(893)	(1,575)
Corporate	50,959	55,353
Consolidated Identifiable Assets	$94,701	$96,011

NOTE G. Recently Issued Accounting Pronouncements

In July 2002, the FASB issued Statement No. 146 ("SFAS 146"), "Accounting for Costs Associated with Exit or Disposal Activities." SFAS 146 addresses significant issues regarding the recognition, measurement, and reporting of costs that are associated with exit and disposal activities, including restructuring activities that are currently accounted for pursuant to the guidance that the Emerging Issues Task Force ("EITF") has set forth in EITF Issue No. 94-3, "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)." SFAS 146 revises the accounting for certain lease termination costs and employee termination benefits, which are generally recognized in connection with restructuring activities. The provisions of SFAS 146 are effective for exit or disposal activities that are initiated after December 31, 2002. The Company does not anticipate that the adoption of SFAS 146 will have a material impact on its consolidated financial statements.

In December 2002, the FASB issued Statement No. 148 ("SFAS 148"), "Accounting for Stock-Based Compensation - Transition and Disclosure." SFAS 148 amends SFAS 123, "Stock-Based Compensation," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The disclosure provisions of this Standard are effective for interim periods beginning after December 15, 2002. The Company will comply with SFAS 148 when it prepares its financial statements for the year ending April 30, 2003. The adoption of this Statement will have no impact on the balance sheet, statement of operations or statement of cash flows of the Company since the Company will continue to apply the "disclosure only" provisions of SFAS 123.

Item 2

Management's Discussion and Analysis of Financial Condition and Results of Operations

Critical Accounting Policies and Estimates

The Company's significant accounting policies are described in Note 1 to the consolidated financial statements included in the Company's April 30, 2002 Annual Report to Stockholders. The Company believes its most critical accounting policies to be the recognition of revenue, costs on production contracts and the valuation of inventory.

Revenue Recognition

Revenues under larger, long-term contracts, generally defined as orders in excess of $100,000, are reported in operating results using the percentage of completion method. For U.S. Government and other fixed-price contracts that require initial design and development of the product, revenue is recognized on the cost-to-cost method. Under this method, revenue is recorded based upon the ratio that incurred costs bear to total estimated contract costs with related cost of sales recorded as the costs are incurred. Each month management reviews estimated contract costs. The effect of any change in the estimated gross margin percentage for a contract is reflected in revenues in the period in which the change is known. Provisions for anticipated losses on contracts are made in the period in which they become determinable.

On production-type contracts, revenue is recorded as units are delivered with the related cost of sales recognized on each shipment based upon a percentage of estimated final contract costs. Changes in job performance may result in revisions to costs and income and are recognized in the period in which revisions are determined to be required. Provisions for anticipated losses on contracts are made in the period in which they become determinable.

For contracts in the Company's Gillam-FEI segment, and smaller contracts or orders in the other business segments, sales of products and services to customers are reported in operating results based upon shipment of the product or performance of the services pursuant to contractual terms. When payment is contingent upon customer acceptance of the installed system, revenue is deferred until such acceptance is received.

Contract Costs

Contract costs include all direct material, direct labor costs, manufacturing overhead and other direct costs related to contract performance. Selling, general and administrative costs are charged to expense as incurred.

Inventory

In accordance with industry practice, inventoried costs contain amounts relating to contracts and programs with long production cycles, a portion of which will not be realized within one year. Inventory reserves are established for slow-moving and obsolete items and are based upon management's experience and expectations for future business. Any changes in reserves arising from revised expectations are reflected in cost of sales in the period the revision is made.

Recently Issued Accounting Pronouncements

In July 2002, the FASB issued Statement No. 146 ("SFAS 146), "Accounting for Costs Associated with Exit or Disposal Activities." SFAS 146 addresses significant issues regarding the recognition, measurement, and reporting of costs that are associated with exit and disposal activities, including restructuring activities that are currently accounted for pursuant to the guidance that the Emerging Issues Task Force ("EITF") has set forth in EITF Issue No. 94-3, "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)." SFAS 146 revises the accounting for certain lease termination costs and employee termination benefits, which are generally recognized in connection with restructuring activities. The provisions of SFAS 146 are effective for exit or disposal activities that are initiated after December 31, 2002. The Company does not anticipate that the adoption of SFAS 146 will have a material impact on its consolidated financial statements.

In December 2002, the FASB issued Statement No. 148 ("SFAS 148"), "Accounting for Stock-Based Compensation - Transition and Disclosure." SFAS 148 amends SFAS 123, "Stock-Based Compensation," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. In addition, SFAS 148 amends the disclosure requirements of SFAS 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The disclosure provisions of this Standard are effective for interim periods beginning after December 15, 2002. The Company will comply with SFAS 148 when it prepares its financial statements for the year ending April 30, 2003. The adoption of this Statement will have no impact on the balance sheet, statement of operations or statement of cash flows of the Company since the Company will continue to apply the "disclosure only" provisions of SFAS 123.

RESULTS OF OPERATIONS

As illustrated in the following table, the mix of the Company's revenues has shifted significantly during fiscal 2003 compared to the same periods of fiscal 2002. For the nine-month period ended January 31, 2003, overall Net Sales have declined by $7.6 million (24%) from the same period of fiscal 2002. Most of the decrease is attributable to the slowdown in the telecommunications industry which has impacted both the Commercial Communications segment and the Gillam-FEI segment. These declines were partially offset by increased revenues in the U.S. Government segment as the United States military is undertaking the development of new secure communications systems and more technologically sophisticated weaponry.

The table below sets forth the percentage of consolidated net sales represented by certain items in the Company's consolidated statements of operations for the respective nine- and three-month periods of fiscal years 2003 and 2002:

	Nine months		Three months	
	Periods ended January 31,			
	2003	2002	2003	2002
Net Sales				
Commercial Communications	48.3%	68.9%	51.8%	62.4%
U.S. Government	28.0	9.0	27.4	12.0
Gillam-FEI	23.7	22.1	20.8	25.6
	100.0	100.0	100.0	100.0
Cost of Sales	68.4	62.2	67.3	62.1
Gross Margin	31.6	37.8	32.7	37.9
Selling and administrative expenses	24.6	19.9	22.3	22.6
Research and development expenses	12.0	13.2	13.5	14.3
Operating (Loss) Profit	(5.0)	4.7	(3.1)	1.0
Other income (expense)- net	4.9	4.3	6.7	4.1
Pretax (Loss) Income	(0.1)	9.0	3.6	5.1
Provision for income taxes	0.1	2.9	1.0	1.7
Net Income	0.0%	6.1%	2.6%	3.4%

Revenues for the Commercial Communications segment declined by $10.6 million (47%) and by $1.3 million (21%), respectively, for the nine- and three-month periods ended January 31, 2003 as compared to the same periods of the prior fiscal year. These amounts reflect the reduced level of capital spending by the telecommunication industry as well as the lack of new commercial satellite orders. Similarly, for the nine- and three-month periods of fiscal 2003, Gillam-FEI revenues decreased by $1.2 million (16%) and $383,000 (16%), respectively, reflecting the decline in telecommunication spending in Europe. Conversely, revenues in the Company's U.S. Government segment rose by $4.0 million (137%) and $1.4 million (124%), respectively, during fiscal 2003 compared to the same nine- and three-month periods of fiscal 2002. The Company expects that U.S. Government revenue will continue to grow but the rate of growth will vary since the timing for the release of new contracts is unpredictable. The Company also believes that spending by telecommunication service providers will increase in future periods from the current reduced levels. As service providers add new features, the need for improved infrastructure in both wireless and wireline networks becomes more urgent. Likewise, many communication satellites are nearing or have exceeded their life expectancy and must soon be replaced.

For the nine and three months ended January 31, 2003, the Commercial Communications segment incurred operating losses of $2.2 million and $882,000, respectively, compared to operating profits of $1.9 million and $245,000 in the same periods of fiscal 2002. These losses are attributable primarily to the reduced sales volume and related higher absorption of fixed costs. In addition, this segment continues to invest in research and development projects, the Asian production facility and the European sales office. Operating profits in the U.S. Government segment for the nine and three months ended January 31, 2003 were $1.8 million and $819,000, respectively, increases of $1.1 million (150%) and $594,000 (264%) over the same periods of fiscal 2002. These increases are attributable to the increase in revenues during the fiscal 2003 periods offset by the absorption of a greater share of allocated general and administrative expenses. The Gillam-FEI segment recorded losses of $403,000 and $133,000, respectively, for the nine and three month periods ended January 31, 2003 which are $44,000 (12%) and $13,000 (11%) greater than the losses recorded in the same periods of fiscal 2002. These increased losses are due to the 16% decline in revenues and lower gross margins, particularly on several developmental projects in the fiscal 2003 three-month period. These amounts are offset by reduced research and development spending during the fiscal 2003 periods.

For the nine- and three-month periods ended January 31, 2003, gross margin rates were 32% and 33%, respectively, compared to 38% in each of the same periods of fiscal 2002. The lower volume of business in the Commercial Communications segment had a significant impact on fiscal 2003 gross margins as did the developmental projects at Gillam-FEI cited above. The increased volume in U.S. Government business was insufficient to offset the declines in the other two segments. With the present mix of orders and recent contract bookings, the Company expects to realize similar to improved gross profit margins during the balance of fiscal 2003.

Selling and administrative costs decreased by $363,000 (6%) and by $64,000 (3%) for the nine- and three-month periods ended January 31, 2003, respectively, compared to the same periods of fiscal 2002. During the fiscal 2003 periods, the Company increased its investments in its Asian production and European sales office subsidiaries. Excluding these costs, selling and administrative expenses would have declined by $542,000 (9%) and by $228,000 (11%) for the nine- and three-month periods ended January 31, 2003, respectively, compared to fiscal 2002. These decreases were achieved through reduced personnel costs due to fewer selling and administrative employees, lower travel costs and no accruals for employee incentive plans due to lower profits. The Company anticipates that fiscal 2003 selling and administrative expenses will continue to be less than that incurred in fiscal 2002 as the Company focuses on reducing its overall cost structure. The Company targets selling and administrative expenses to be 20% of revenues, excluding special costs, but in the current reduced sales environment, that ratio will be higher.

Research and development costs in the fiscal 2003 periods decreased by $1.3 million (31%) and $96,000 (7%), respectively, over the comparable nine- and three-month periods ended January 31, 2002. During fiscal 2003 the Company was successful in procuring funding for some of its development activities including non-recurring engineering on production contracts and obtaining government-sourced subsidies in Europe. This funding lowers research and development costs to the Company without diminishing its ability to design and develop new products. The Company will continue to devote its own resources to develop new products and enhance existing products for the commercial communications market. During calendar year 2003, the Company intends to introduce Gillam-FEI's wireline synchronization product to the U.S market as well as to the rest of the world. In addition, the Company continues to improve its manufacturing processes and is developing next-generation products in support of the cellular network infrastructure markets. Internally generated cash and cash reserves are adequate to fund this development effort.

Net nonoperating income and expense decreased by $176,000 (13%) and increased by $237,000 (61%), respectively, in the nine- and three-month periods ended January 31, 2003 as compared to the fiscal 2002 periods. For the nine-month periods, fiscal 2003 investment income declined by $318,000 (19%) due to lower interest rates on marketable securities and net realized losses on the sale of marketable securities of $57,000 compared to net realized gains of $183,000 in the same period of fiscal 2002. For the three-month periods, investment income increased by $77,000 (16%) as lower interest income was offset by net realized gains on certain marketable securities of $103,000 compared to gains of $14,000 in the same period of fiscal 2002. Interest expense decreased by $31,000 (14%) for the nine months and increased by $7,000 (10%) during the three-months ended January 31, 2003, compared to the same periods of fiscal 2002. These changes reflect reduced interest rates and changes in debt balances during fiscal 2003 compared to debt levels in fiscal 2002. Other income (expense), net, consists principally of certain non-recurring transactions and is generally not significant to net income. During the quarter ended January 31, 2003, the Company realized a gain of $148,000 on the sale of a portion of a building owned by its French subsidiary. Excluding that gain, for the nine- and three-month periods ended January 31, 2003 the Company incurred net expenses of $93,000 and $8,000, respectively, compared to net expenses of $56,000 and $27,000 in the same periods of fiscal 2002.

The Company is subject to income taxes in both the United States and Europe. The federal statutory rates vary from 34% to 40%. The Company's effective tax rate is lower than the statutory rates primarily due to the availability of Research and Development Tax Credits in the United States. Effective in calendar 2003, Belgium reduced its corporate income tax rate to 34%.

LIQUIDITY AND CAPITAL RESOURCES

The Company's balance sheet continues to reflect a strong working capital position of $67 million at January 31, 2003 which is comparable to working capital at April 30, 2002. Included in working capital at January 31, 2003 is $32.7 million of cash, cash equivalents and marketable securities, including $10.5 million of REIT units which are convertible to Reckson Associates Realty Corp. common stock.

Net cash provided by operating activities for the nine months ended January 31, 2003, was $379,000 compared to positive cash flow of $2.8 million in the same period of fiscal 2002. In the fiscal 2002 period, the Company received $3.0 million for reimbursement of certain legal expenses covered under directors' and officers' liability insurance. This inflow was partially offset by payments against certain accrued expenses, including income taxes payable of $2.6 million and the payment of cash bonuses under incentive compensation plans. During the fiscal 2003 period, cash was also absorbed by increases to work-in-process inventory and the paydown of accrued expenses and accounts payable. The Company anticipates that it will generate positive cash flow from operating activities for the full fiscal year.

Net cash provided by investing activities for the nine months ended January 31, 2003, was $1.4 million. Approximately $1.6 million was obtained from the sale or redemption of certain marketable securities, most of which was reinvested in shorter term cash equivalents. The Company sold a portion of a building owned by its French subsidiary receiving proceeds of $268,000 and recognizing a gain of $148,000. These inflows were offset by the acquisition of capital equipment for approximately $480,000. The Company may continue to acquire or sell marketable securities as dictated by its investment strategies as well as by the cash requirements for its development activities. The Company will continue to acquire more efficient equipment to automate its production process and expand its capacity. The Company intends to spend less than $1 million on capital equipment during fiscal 2003. Internally generated cash will be adequate to acquire this capital equipment.

Net cash used in financing activities for the nine months ended January 31, 2003, was $2.7 million compared to $2.3 million for the comparable fiscal 2002 period. Included in both fiscal periods is payment of the Company's semiannual dividend in the aggregate amount of $1.7 million. In addition, the Company made scheduled payments on debt and other long-term obligations of $645,000 in fiscal 2003 and $509,000 in fiscal 2002. In 2003, the Company also received $108,000 in short-term borrowings. During fiscal 2003, the Company reacquired approximately 80,000 shares of its stock at a cost of $501,000.

BACKLOG

At January 31, 2003, the Company's backlog amounted to approximately $32 million, an increase of approximately $1 million from the April 30, 2002 backlog. Approximately 60% of the backlog represents orders for the Commercial Communications segment, 22% for the Gillam-FEI segment and 18% for the U.S. Government segment. Of this backlog, approximately 70% is realizable in the next 12 months.

Item 3.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

The Company is exposed to market risk related to changes in interest rates and market values of securities, including participation units in the Reckson Operating Partnership, L.P. The Company's investments in fixed income and equity securities were $17.1 million and $10.9 million, respectively, at January 31, 2003. The investments are carried at fair value with changes in unrealized gains and losses recorded as adjustments to stockholders' equity. The fair value of investments in marketable securities is generally based on quoted market prices. Typically, the fair market value of investments in fixed interest rate debt securities will increase as interest rates fall and decrease as interest rates rise. Based on the Company's overall interest rate exposure at January 31, 2003, a 10% change in market interest rates would not have a material effect on the fair value of the Company's fixed income securities or results of operations (investment income).

Foreign Currency Risk

The Company is subject to foreign currency translation risk. The Company does not have any near-term intentions to repatriate invested cash in any of its foreign-based subsidiaries. For this reason, the Company does not intend to initiate any exchange rate hedging strategies which could be used to mitigate the effects of foreign currency fluctuations. The effects of foreign currency rate fluctuations will be recorded in the equity section of the balance sheet as a component of other comprehensive income. As of January 31, 2003, the amount related to foreign currency exchange rates is a $2,680,000 unrealized gain.

The results of operations of foreign subsidiaries, when translated into US dollars, will reflect the average rates of exchange for the periods presented. As a result, similar results in local currency can vary significantly upon translation into US dollars if exchange rates fluctuate significantly from one period to the next.

Item 4.

Controls and Procedures

Within 90 days prior to the date of this report, the Company carried out an evaluation, under the supervision and with the participation of its Chief Executive Officer, Martin B. Bloch and Chief Financial Officer, Alan L. Miller, of the effectiveness of disclosure controls and procedures pursuant to Exchange Act Rules 13a-14 and 15d-14. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures are effective in timely alerting them to material information required to be included in the Company's periodic SEC reports. There have been no significant changes in internal controls, or in factors that could significantly affect internal controls, subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995:

The statements in this quarterly report on Form 10Q regarding future earnings and operations and other statements relating to the future constitute "forward-looking" statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, continued acceptance of the Company's products in the marketplace, competitive factors, new products and technological changes, product prices and raw material costs, dependence upon third-party vendors, competitive developments, changes in manufacturing and transportation costs, changes in contractual terms, the availability of capital, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this report.

PART II

ITEM 1 - Legal Proceedings

A judgment dated September 3, 2002, has been entered by the United States District Court for the Eastern District of New York in connection with its dismissal of the Muller Qui Tam Action. With this action, the Court has dismissed all remaining litigation against the Company and its President/CEO originating approximately ten years ago.

The judgment is based on the Court's decision on the merits in favor of Frequency Electronics, Inc. and its CEO, Martin B. Bloch, dated August 23, 2002. The judgment preserves all of FEI's rights to recover costs and its causes of action against the plaintiff and third party defendants.

For a further discussion of the Muller Qui Tam Action, reference is made to Form 10-K for the fiscal year ended April 30, 2002, filed by Registrant under Section 13 of the Securities Exchange Act of 1934, which is on file at the Securities and Exchange Commission.

ITEM 6 - Exhibits and Reports on Form 8-K

(a) Exhibits: 99.1 Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
99.2. Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(c) No Current Reports on Form 8-K were filed with the Securities and Exchange Commission during the quarter ended January 31,2003.

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.

FREQUENCY ELECTRONICS, INC.
(Registrant)

Date: March 17, 2003

BY: /s/ Joseph P. Franklin
Joseph P. Franklin
Chairman of the Board of Directors

Date: March 17, 2003

BY: /s/ Alan Miller
Alan Miller
Chief Financial Officer
and Controller

Exhibit 99.1

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

Certification of CEO

I, Martin B. Bloch, certify that

1. I have reviewed this quarterly report on Form 10-Q of Frequency Electronics, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Martin B. Bloch — March 17, 2003

Martin B. Bloch
Chief Executive Officer

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

Certification of CFO

I, Alan L. Miller, certify that

1. I have reviewed this quarterly report on Form 10-Q of Frequency Electronics, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Alan L. Miller   March 17, 2003

Alan L. Miller
Chief Financial Officer

Exhibit 99.2

CERTIFICATIONS PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Certification of CEO

In connection with the Quarterly Report of Frequency Electronics, Inc. (the "Company") on Form 10-Q for the period ended January 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Martin B. Bloch, Chief Executive Officer of the Company, certify, pursuant to Section 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) and 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Martin B. Bloch March 17, 2003

Martin B. Bloch
Chief Executive Officer

Certification of CFO

In connection with the Quarterly Report of Frequency Electronics, Inc. (the "Company") on Form 10-Q for the period ended January 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Alan L. Miller, Chief Financial Officer of the Company, certify, pursuant to Section 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) and 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Alan L. Miller March 17, 2003

Alan L. Miller
Chief Financial Officer