



Frequency Electronics Announces Results for 2nd Quarter FY 2000

>Frequency Electronics, Inc. (AMEX_FEI) today announced the results for its 2nd quarter of fiscal year 2000. Revenues for the quarter were \$6.04 million compared to \$6.18 million in the same quarter of fiscal 1999. The Company recorded net income of \$478 thousand or \$0.06 per share for the quarter ended October 31, 1999. Net income for the same period of fiscal 1999, excluding reimbursement of \$4.5 million for litigation-related expenses, was \$76 thousand or \$0.01 per share.

The quarter to quarter increase in sales from the 1st quarter of fiscal 2000 represents a trend which the Company expects to continue for the balance of the fiscal year. Based on the current backlog as well as projections from customers for future orders, the Company expects sales of terrestrial wireless products to continue to accelerate. As reported previously, sales from space-based wireless communications products are also expected to increase by mid-calendar year 2000.

Strong margins continue to produce improved current year operating profits. Product development costs have continued at the same rate as the 1st quarter of fiscal 2000 but at a significantly slower pace than the last half of the preceding fiscal year. The Company expects the rate of development spending to slow further in the second half of fiscal 2000.

Frequency Electronics is a wireless communications company which designs, develops, manufactures and markets high technology precision time and frequency products used to synchronize the wireless transmission of voice, video, and data communications for terrestrial and space applications. Additional information is available on FEI's website.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: The statements contained in this release which are forward-looking statements and not based on historical facts are subject to risks and uncertainties that could cause actual results to differ materially from those set forth or implied herein.

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

	Quarter Ended		Six Months Ended	
	October 31,		October 31,	
	1999	1998	1999	1998
	(unaudited)			
	(in thousands except per share data)			
Net Sales	\$ 6,036	\$ 6,180	\$11,500	\$13,195
Cost of Sales	3,355	4,155	6,427	8,781
Insurance Reimbursement	-	(4,500)	-	(4,500)
Selling and Administrative	1,112	1,126	2,324	2,320
Research and Development	1,240	1,171	2,490	1,966
Operating Profit	329	4,228	259	4,628
Interest and Other, Net	429	381	1,173	899

Earnings before income taxes	758	4,609	1,432	5,527
Income Tax Provision	280	1,400	510	1,800
Net Earnings	\$ 478	\$ 3,209	\$ 922	\$ 3,727

Net Earnings per Share:

Basic	\$ 0.06	\$ 0.43	\$ 0.12	\$ 0.50
Diluted	\$ 0.06	\$ 0.41	\$ 0.12	\$ 0.47

Average Shares Outstanding

Basic	7,577,010	7,499,924	7,566,569	7,507,383
Diluted	7,979,270	7,776,478	7,933,654	7,847,101

Frequency Electronics, Inc. and Subsidiaries Consolidated Condensed Balance Sheets

October 31, 1999

April 30, 1999

(in thousands)

ASSETS

Cash & Marketable Securities	\$38,922	\$39,287
Other Current Assets	23,692	25,404
Property, Plant & Equipment	9,391	9,489
Other Assets	4,315	4,175
Total:	\$76,320	\$78,355

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	\$ 3,628	\$ 4,889
Long-term Obligations	16,873	16,959
Stockholders' Equity	55,819	56,507
Total:	\$76,320	\$78,355