R F INDUSTRIES LTD
Form 10QSB
September 14, 2001

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-QSB

Quarterly Report Under Section 13 or 15 (d) of
Securities Exchange Act of 1934

for Quarter ended July 31, 2001
Commission File Number 0-13301

RF INDUSTRIES, LTD.

(Exact name of registrant as specified in its charter)

Nevada 88-0168936

(State of Incorporation) (I.R.S. Employer Identification No.)

7610 Miramar Road., Bldg. 6000, San Diego, California 92126-4202

(Address of principal executive offices) (Zip Code)

(858) 549-6340 FAX (858) 549-6345

(Issuer's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act: None.

Check whether the issuer (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

State the number of shares outstanding of each of the issuer's classes of common stock at the latest practicable date.

As of July 31, 2001, the registrant had 3,441,054 shares of Common Stock, $.01 par value, issued.

Transitional small business disclosure format

Yes No X

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Part I. FINANCIAL INFORMATION

RF INDUSTRIES, LTD. AND SUBSIDIARY

CONDENSED CONSOLIDATED BALANCE SHEETS

Item 1: Financial Statements

| | July 31 2001 | October 31 2000 |
|---|---|---|
| | (Unaudited) | |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents .......................... | $ 722,267 | $ 557,923 |
| Investments in available-for-sale securities......... | 1,739,960 | 2,208,558 |
| Trade accounts receivable, net of allowance for doubtful accounts of $42,000 .................... | 967,194 | 1,313,935 |
| Notes receivable .................................. | 12,000 | 12,000 |
| Inventories ........................................ | 4,980,473 | 4,165,242 |
| Other current assets ............................... | 106,965 | 174,779 |
| Deferred tax assets ................................ | 176,900 | 166,000 |
| TOTAL CURRENT ASSETS .......................... | 8,705,759 | 8,598,437 |
| PROPERTY AND EQUIPMENT | | |
| Equipment and tooling .............................. | 1,053,170 | 733,150 |
| Furniture and office equipment ..................... | 224,444 | 190,867 |
| Fixed assets, at cost ......................... | 1,277,614 | 924,017 |
| Less accumulated depreciation ................. | 699,366 | 605,164 |
| NET FIXED ASSETS .............................. | 578,248 | 318,853 |
| Intangible assets .................................. | 174,698 | 0 |
| Less accumulated amortization ...................... | 8,735 | 0 |
| NET INTANGIBLE ASSETS ......................... | 165,963 | 0 |
| Note receivable from stockholder ................... | 70,000 | 70,000 |
| Deferred tax assets ................................ | 94,000 | 94,000 |
| Other assets ....................................... | 11,471 | 11,471 |
| TOTAL ASSETS .................................. | $9,625,441 | $9,092,761 |

See Notes to Condensed Consolidated Unaudited Financial Statements.

RF INDUSTRIES, LTD. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS

| | | July 31 2001 (Unaudited) | October 31 2000 |
|---|---|---|---|
| LIABILITIES AND STOCKHOLERS' EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Accounts payable | | $ 170,495 | $ 403,530 |
| Notes payable | | 98,103 | 0 |
| Accrued expenses | | 302,574 | 513,186 |
| TOTAL LIABILITIES | | 571,172 | 916,716 |
| COMMITMENTS AND CONTINGENCIES | | | |
| STOCKHOLDERS' EQUITY | | | |
| Common Stock - authorized 10,000,000 shares of $.01 par value; 3,441,054 and 3,402,054, respectively shares issued | | 34,411 | 34,021 |
| Additional paid-in capital | | 4,695,146 | 4,686,161 |
| Retained earnings | | 4,489,883 | 3,668,867 |
| Unearned compensation | | (47,004) | (117,546) |
| Accumulated other comprehensive loss | | (63,599) | (40,890) |
| Receivables from sale of stock | | (1,715) | (1,715) |
| Treasury stock, at cost - 29,400 shares | | (52,853) | (52,853) |
| TOTAL STOCKHOLDERS' EQUITY | | 9,054,269 | 8,176,045 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | | $ 9,625,441 | $ 9,092,761 |

See Notes to Condensed Consolidated Unaudited Financial Statements.

Item 1: Financial Statements (continued)

RF INDUSTRIES, LTD. AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF
INCOME AND COMPREHENSIVE INCOME

| INCOME: | 2001 | 2000 | 2001 | 20 |
|---|---|---|---|---|
| Net sales | $ 2,596,391 | $ 2,311,667 | $ 7,348,531 | $ 5,96 |
| Cost of sales | 1,275,342 | 1,091,539 | 3,633,569 | 2,80 |
| Gross profit | 1,321,049 | 1,220,128 | 3,714,962 | 3,16 |
| Operating expenses: | | | | |
| Engineering | 134,661 | 83,153 | 376,064 | 22 |
| Selling and general | 749,107 | 535,272 | 2,192,742 | 1,56 |
| Totals | 883,768 | 618,425 | 2,568,806 | 1,78 |
| Operating income | 437,281 | 601,703 | 1,146,156 | 1,37 |
| Other income: | | | | |
| Commissions | 91,691 | 0 | 152,548 | |
| Interest | 15,393 | 33,097 | 70,314 | 9 |
| Totals | 107,084 | 33,097 | 222,862 | 9 |
| Income before provision for income tax | 544,365 | 634,800 | 1,369,018 | 1,47 |
| Provision for income tax | 218,000 | 254,000 | 548,000 | 58 |
| Net income | $ 326,365 | $ 380,800 | $ 821,018 | $ 88 |
| Basic earnings per share | $ 0.10 | $ 0.11 | $ 0.24 | $ |
| Diluted earnings per share | $ 0.08 | $ 0.10 | $ 0.21 | $ |
| Basic weighted average shares outstanding | 3,415,721 | 3,402,054 | 3,407,146 | 3,29 |
| Diluted weighted average shares outstanding | 3,938,595 | 3,735,175 | 3,943,982 | 3,70 |
| COMPREHENSIVE INCOME: | | | | |
| Net income | $ 326,365 | $ 380,800 | $ 821,018 | $ 88 |
| Unrealized loss on available-for-sale securities, net of tax effect | (5,966) | 0 | (22,709) | |
| Total comprehensive income | $ 320,399 | $ 380,800 | $ 798,309 | $ 88 |

See Notes to Condensed Consolidated Unaudited Financial Statements

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Item 1: Financial Statements (continued)

RF INDUSTRIES, LTD. AND SUBSIDIARY
CONDENSED CONSOLIDATED
STATEMENTS OF CASH FLOWS
(Unaudited)

| | Nine Months Ended July 31 | |
|---|---|---|
| | 2001 | 2000 |
| OPERATING ACTIVITIES | | |
| Net income ............ | $ 821,018 | $ 883,079 |
| Adjustments to reconcile net income to net cash provided by operating activities | | |
| Bad debts ............ | 28,320 | 0 |
| Inventory deposit write-offs ............ | 30,294 | 0 |
| Depreciation and amortization ............ | 102,937 | 52,652 |
| Amortization of unearned compensation ............ | 70,542 | 70,542 |
| Changes in operating assets and liabilities, net of acquisition in 2001: | | |
| Trade accounts receivable ............ | 394,758 | (10,434) |
| Inventories ............ | (805,569) | (1,083,678) |
| Other assets ............ | 71,647 | (46,873) |
| Accounts payable ............ | (261,021) | 185,706 |
| Accrued expenses ............ | (210,656) | 107,185 |
| Net cash provided by operating activities ............ | 242,270 | 158,179 |
| INVESTING ACTIVITIES | | |
| Proceeds from sale of (investments in) securities ..... | 445,889 | (173,330) |
| Capital expenditures ............ | (165,741) | (193,612) |
| Payment for acquisition, net of cash acquired ......... | (147,078) | 0 |
| Net cash provided by (used in) investing activities.... | 133,070 | (366,942) |
| FINANCING ACTIVITIES | | |
| Payments on loans payable ............ | (220,371) | 0 |
| Proceeds from exercise of common stock options ........ | 9,375 | 138,470 |
| Net cash provided by (used in) financing activities.... | (210,996) | 138,470 |
| Net increase (decrease) in cash and cash equivalents ........ | 164,344 | (70,293) |
| Cash and cash equivalents at the beginning of the period ............ | 557,923 | 1,100,816 |
| Cash and cash equivalents at the end of the period .......... | $ 722,267 | $ 1,030,523 |

SUPPLEMENTARY CASH FLOW DATA:

| | | |
|---|---|---|
| Income taxes paid | $ 255,000 | 0 |
| Noncash investing and financing activities: | | |
| Fair value of assets acquired | $ 496,504 | |
| Liabilities assumed | (207,341) | |
| Note payable | (139,163) | |
| Cash paid | $ 150,000 | |

See Notes to Condensed Consolidated Unaudited Financial Statements.



RF INDUSTRIES, LTD. AND SUBSIDIARY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Unaudited interim financial statements:

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10- QSB. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine month periods ended July 31, 2001 are not necessarily indicative of the results that may be expected for the year ending October 31, 2001. The unaudited condensed consolidated financial statements should be read in conjunction with the financial statements and footnotes thereto included in the Company's annual report on Form 10-KSB for the year ended October 31, 2000.

Note 2 - The acquisition and other matters

On December 1, 2000, the Company acquired all the outstanding stock of Bioconnect, Inc. for total consideration of $289,163, of which $139,163 was financed by the seller.

The acquisition has been accounted for as a purchase and, accordingly, the net assets acquired were recorded at estimated fair values on the date of acquisition. A summary of the allocation of the cost of the acquisition to the net assets acquired as of December 1, 2000 follows:

| | |
|---|---|
| Cash | $ 2,922 |
| Accounts receivable | 76,337 |
| Inventory | 39,956 |
| Property and equipment | 187,855 |
| Intangibles and other assets | 189,434 |
| Total assets acquired | 496,504 |
| Accounts payable and other liabilities | (207,341) |

| | |
|---|---|
| Net assets acquired ................. | $ 289,163 |

The unaudited condensed consolidated financial statements include the accounts of RF Industries, Ltd. (the "Parent") and its wholly-owned subsidiary, Bioconnect, Inc. (collectively, the "Company"). All significant intercompany accounts and transactions are eliminated in consolidation. Goodwill of $174,698, related to the acquisition is being amortized over fifteen years.



Note 3 - Components of inventory

| | July 31 2001 | October 31 2000 |
|---|---|---|
| | (Unaudited) | (Audited) |
| Raw material and supplies | $ 895,400 | $ 559,786 |
| Finished goods .......... | 4,085,073 | 3,605,456 |
| Totals ................. | $4,980,473 | $4,165,242 |

Note 4 - Earnings per share:

The Company follows the provisions of Statement of Financial Accounting Standards No. 128, "Earnings per Share", which requires the presentation of "basic" and "diluted" earnings per common share, as further explained in Note 1 of the notes to the audited financial statements of the Company, included in Form 10-KSB for the fiscal year ended October 31, 2000.

Basic earnings per share is computed by dividing net earnings by the weighted average number of common stock outstanding during the period.

Diluted earnings per share is computed by dividing net earnings by the weighted average number of shares of common stock increased by the effects of assuming that other potentially dilutive securities (such as stock options) outstanding during the period had been exercised.

The following table summarizes basic and diluted shares:

| | Three Months Ended July 31 | | Nine Months Ended July 31 | |
|---|---|---|---|---|
| | 2001 | 2000 | 2001 | 2000 |
| Weighted average shares outstanding for basic net earnings per share ............ | 3,415,721 | 3,402,054 | 3,407,146 | 3,299,085 |
| Add effects of potentially dilutive securities- | | | | |

| | | | | |
|---|---|---|---|---|
| assumed exercised of stock options ....... | 522,874 | 333,121 | 536,836 | 409,370 |
| Weighted average shares for diluted net earnings per share ...................... | 3,938,595 | 3,735,175 | 3,943,982 | 3,708,455 |



Note 5 - Segment Information

Net sales and income (loss) before provision for income taxes for the three months ended July 31, 2001 and 2000 follows:

| | Connector/ Cable | Neulink | *Bioconnect | Common/ Corporate | Total |
|---|---|---|---|---|---|
| 2001 | | | | | |
| Net sales ............ | $ 2,305,096 | $ 184,434 | $ 106,861 | | $ 2,596,391 |
| Income (loss) before provision for income taxes ............ | 580,226 | 83,312 | (131,713) | $ 12,540 | 544,365 |
| 2000 | | | | | |
| Net sales ............ | $ 2,118,336 | $ 193,331 | | | $ 2,311,667 |
| Income (loss) before provision for income taxes ............ | 756,945 | (155,242) | | $ 33,097 | 634,800 |

Net sales and income (loss) before provision for income taxes for the nine months ended July 31, 2001 and 2000 follows:

| | Connector/ Cable | Neulink | *Bioconnect | Common/ Corporate | Total |
|---|---|---|---|---|---|
| 2001 | | | | | |
| Net sales ............ | $ 6,534,643 | $ 587,377 | $ 226,511 | | $ 7,348,531 |
| Income (loss) before provision for income taxes ............ | 1,669,881 | (27,234) | (343,943) | $ 70,314 | 1,369,018 |
| 2000 | | | | | |

| | | | | |
|---|---|---|---|---|
| Net sales ............ | $ 5,490,785 | $ 473,861 | | $ 5,964,646 |
| Income (loss) before provision for income taxes ............ | 1,553,035 | (178,179) | $ 97,223 | 1,472,079 |

* Bioconnect was purchased on December 1, 2000.

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Note 6 - Stock Options

During the quarter ended July 31, 2001, several employees exercised their right to purchase 38,000 shares of common stock with a weighted average exercise price of $0.21.

During the quarter ended July 31, 2001, the Company granted compensatory stock options to employees to purchase 200,000 shares of common stock at a price of $2.90 per share, the market value of the Company's common stock at the grant date. The options vest 10% per year over ten years and expire upon termination of employment or in ten years.

Note 7 - New Accounting Pronouncement

In June, 2001, the FASB issued SFAS No. 142, "Goodwill and Other Intangible Assets", which requires that goodwill and certain intangibles assets, including those recorded in past business combinations, no longer be amortized against earnings, but instead be tested for impairment at least annually. SFAS No. 142 will become effective for fiscal years beginning after December 15, 2001 with early adoption permitted for fiscal years beginning after March 15, 2001. The Company plans to elect early adoption of SFAS No. 142 on November 1, 2001 and does not expect the adoption to have a material effect on its consolidated financial statements.

Item 2: Management's discussion and analysis of financial condition and results of operations

This report contains forward-looking statements. These statements relate to future events or the Company's future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "except," "plan," "anticipate," "believe," "estimate," "predict," "potential" or "continue," the negative of such terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither the Company, nor any other person, assumes responsibility for the accuracy and completeness of the forward-looking statements. The Company is under no obligation to update any of the forward-looking statements after the filing of this Quarterly Report on Form 10-QSB to conform such statements to actual results or to changes in its expectations.

The following discussion should be read in conjunction with the Company's financial statements and the related notes and other financial information appearing elsewhere in this Form 10-QSB. Readers are also urged to carefully review and consider the various disclosures made by the Company which attempt to advise interested parties of the factors which affect the Company's business, including without limitation the disclosures made under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations," under the caption "Risk Factors," and the audited financial statements and related notes included in the Company's Annual Report filed on Form 10-KSB for the year ended October 31, 2000 and other reports and filings made with the Securities and Exchange Commission.



Liquidity and Capital Resources

Management believes that its existing capital resources and cash it expects to generate from operations will be sufficient to fund the Company's working capital needs for the next twelve months. Management believes that any financing requirements can be met through a combination of cash and investments held as of July 31, 2001, and internally generated cash flow. The Company does not currently have any commercial banking arrangements providing for loans, credit facilities or similar matters.

The Company does not believe it will need material additional capital equipment in fiscal 2001. In the past, the Company has financed some of its fixed asset requirements through capital leases. No additional capital equipment purchases have been currently identified that would require significant additional leasing or capital obligations during fiscal 2001. Management also believes that based on the Company's financial condition at July 31, 2001, the absence of outstanding bank debt and recent operating results, the Company would be able to obtain bank loans to finance its expansion, if necessary, although there can be no assurance any bank loan would be obtainable, or if obtained, would be on favorable terms or conditions.

Net cash provided by operating activities for the first nine months of fiscal 2001 was $242,3000 whereas cash provided by operating activities for the nine month period ended July 31, 2000 was $158,200. Non cash charges for bad debt and inventory deposit write-offs, for the current nine month period, were $58,600. There were no such charges in the first nine months of last year. Depreciation and amortization, including amortization of unearned compensation, was $173,500 for the first nine months, compared to $123,200 for the same period last year. An increase of $50,300 is primarily due to the depreciation of assets associated with the Bioconnect acquisition. Seasonal factors resulted in a decline in trade accounts receivable by $394,800. Inventories increased $805,600 to support higher sales levels, new distributors and the rapid sales growth of RF cable assemblies. The Company has historically maintained high inventory levels as part of its strategy of providing high quality service and quick response to customer requirements. Other assets decreased $71,650 in the first nine months of 2001, principally due to lower prepayments to the Company's vendors. Seasonal factors also caused accounts payable and accrued expenses to decline by $471,700.

Net cash provided by investing activities was $133,100 during the first nine month period ended July 31, 2001, compared to $367,000 used in the previous year. Proceeds from the sale of available for sale securities of $445,900 in the current year were used for capital expenditures of $165,700 and for the Bioconnect acquisition of $147,100.

Net cash used in financing activities was $211,000 for the nine month period ended July 31, 2001, and consisted principally of payments on loans payable of $220,400, which were associated with the Bioconnect acquisition.

As of July 31, 2001 the Company had $722,300 in cash, and investments in available for sale securities of $1,739,900, as compared to $557,900 in cash and cash equivalents, and $2,208,500 in available for sales securities at October 31, 2000.



In June, 2001, the FASB issued SFAS No. 142, "Goodwill and Other Intangible Assets", which requires that goodwill and certain intangibles assets, including those recorded in past business combinations, no longer be amortized against earnings, but instead be tested for impairment at least annually. SFAS No. 142 will become effective for fiscal years beginning after December 15, 2001 with early adoption permitted for fiscal years beginning after March 15, 2001. The Company plans to elect early adoption of SFAS No. 142 on November 1, 2001 and does not expect the adoption to have a material effect on its consolidated financial statements.

Three Months 2001 vs. Three Months 2000

Net sales increased 12%, or $285,000, to $2,596,000 from $2,311,000 in the three months ended July 31, 2001. RF Connectors sales increased 9% to $2,306,000, compared to $2,118,000 for the same period last year, due to continuing strong order rates for cable assemblies. Sales at RF Neulink increased 5% to $184,000 compared to $193,000 last year. This increase can be attributed to stronger sales in new application areas. Bioconnect's three month sales were $107,000.

Cost of sales increased 17%, or $183,000 to $1,275,000 from $1,092,000 last year, due to higher sales levels. Minor changes in the product mix reduced gross profits, as a percent of sales, to 51% compared to 53% last year. Substancially, all sales for the three months ended July 31, 2001 were produced by the Connector division where the gross magin was 53%.

Engineering expenses increased $51,500, or 62%, from $83,000 last year. The increase is attributable to added personnel, increased expenses for Bioconnect to develop new products, and engineering costs associated with the rapid expansion of RF Cable products.

Selling and general expenses increased 40% or $214,000, to $749,000 from $535,000 last year, and as a percent of sales increased to 29% from 23% of sales last year. The increase can be attributed to the expenses associated with Bioconnect and higher expenses for increased travel, advertising, and insurance expenses.

Net interest income decreased $17,500 to $15,500 from $33,000 the previous year primarily due to lower balances of cash and equivalents and available for sale securities. The decrease can be attributed to cash paid for the Bioconnect acquisition and cash utilized for inventory expansion and the acquisition of certain fixed assets to support the Company's expansion.

Commissions for the Neulink divisions sales were $92,000. There were no commissions in the previous year. Commission income is payment to RF Neulink for sales services to obtain a contract for one of the Company's wireless product suppliers.

Net income for the three month period ended July 31, 2001 decreased by $54,000 to $326,000 as a result of lower gross margins, increased engineering expenses, and highter sellling and general expenses.



Nine Months 2001 vs Nine Months 2000

Net sales increased $1,384,000, or 23%, to $7,350,000 from $5,966,000 the previous year. RF Connectors sales increased 18% to $6,500,000 from $5,500,000 last year, due to continuing strong sales of connectors and cable assemblies. Sales for RF Neulink increased 24% to $587,000 from $474,000 the previous year. The increase can be attributed to increased sales for new application areas. Bioconnect sales were $226,500 with no comparable sales from the prior year due to the acquisition.

Cost of sales increased $830,000, or 30%, to $3,630,000 from $2,800,000 last year due to higher sales levels. Gross profit was influenced by changes in product mix, which reduced gross profit, as a percent of sales, to 51% compared to 53% last year. Gross margin for the Connector division, the source of 89% of the sales for the nine months, was 53%.

Engineering expenses increased $154,000, or 69%, to $376,000 from $222,000 last year. This increase can be attributed to added personnel and expenses associated with the Bioconnect acquisition and expansion of our engineering departments to meet the increased business demands.

Selling and general expenses increased $630,000 or 40%, to $2,195,000 compared to $1,565,000 last year, and as a percent of sales increased to 30% from 27% of sales last year.

The increase is due to the added expenses associated with the Bioconnect acquisition and higher expenses for legal fees due to the SEC inquiry, increased travel, advertising, and insurance expenses.

Net interest income decreased $27,000 to $70,000 from $97,000 the previous year primarily due to lower balances of cash and equivalents and available for sale securities. The decrease can be attributed to cash paid for the Bioconnect acquisition and cash utilized to support the Company's expansion.

Commissions for the Neulink division's sales were approximately $152,500 compared to no commissions the previous year. Commission income is payment to RF Neulink for sales services to obtain a contract for one of the Company's wireless product suppliers.

Net income for the nine month period ending July 31, 2001 decreased by $62,000 to $821,000 as a result of lower gross margins, increased engineering expenses, and higher selling and general expenses.

Material changes in financial condition:

Cash increased $160,000 to $720,000 compared to the October 31, 2000 fiscal year balance of $560,000. Cash and investments were $2,460,000 at July 31, 2001 compared to $2,760,000 at July 31, 2000. Cash was used, in the nine month period, for expanded inventory, the acquisition of Bioconnect and for certain capital equipment to support the sales growth of cable products.



Trade accounts receivable decreased $346,000, or 26% to $967,000 compared to the October 31, 2000 balance of $1,314,000. This decrease is due to seasonal factors and to continued collection efforts.

Inventories increased $815,000 compared to October 31, 2000 inventory levels. This increase is to support sales growth and the anticipated backlog requirements, and includes $57,000 in Bioconnect inventory.

Other current assets, including prepaid expenses and deposits, decreased to $107,000 from $175,000 on October 31, 2000. This decrease is due to receipt of prepaid inventory items and deposits.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None

Items 2-5 Not applicable

Item 6. Exhibits and Reports on Form 8-K

None

(b) Reports on Form 8-K

None



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.

RF INDUSTRIES, LTD.

Dated: September 14, 2001

By: /s/ Howard F. Hill

Howard F. Hill, President
Chief Executive Officer

Dated: September 14, 2001

By: /s/ Terrie A. Gross

Terrie A. Gross
Chief Financial Officer