

Frequency Electronics Awarded Contract From State of California for Secure Communication Synchronization Systems

GARDEN GROVE, Calif., Oct 6, 2008 (GlobeNewswire via COMTEX News Network) -- FEI-Zyfer, Inc., a wholly-owned subsidiary of Frequency Electronics (Nasdaq:FEIM), was recently awarded a contract by the State of California to provide AccuSync Lite (tm) GPS-disciplined Time and Frequency References for use in the California Highway Patrol VHF low band simulcast radio system. The contract, valued at approximately \$3 million, enables the state, counties and municipalities to issue purchase orders for multiple systems as needed over the next three years. The first purchase order for approximately \$1.2 million was recently issued under this contract.

The AccuSync Lite(tm) will be deployed in low band simulcast base stations throughout California. The timing signal extracted by the GPS Receiver in the AccuSync Lite(tm) will provide a common timing reference, which is used to generate high precision, secure 10 MHz outputs. The 10 MHz outputs are used to stabilize the final low band carrier frequency for broadcast.

"The AccuSync Lite(tm) demonstrates our continuing commitment to meet the needs of the Homeland Security/Public Safety Sector," said Steve Strang, President of FEI-Zyfer. "Our investment in research and development on modular systems and our ability to customize products to include the exact set of features required to meet our customer's security and communication objectives while keeping costs within budget constraints enables us to win these contracts. In January of 2008, we successfully completed a \$1.2 million contract for the delivery of CommSync II Time and Frequency Reference systems to the County of Orange, Sheriff Department. These systems are currently being deployed throughout the County, and will be used in the County's upgraded 800 MHz simulcast public safety system. We expect the Homeland Security/Public Safety Sector to offer significant opportunities for growth of our core business, particularly as government entities modernize the critical portions of their communication systems as necessary to meet local and regional interoperability requirements."

About Frequency Electronics

Frequency Electronics, Inc. is a world leader in the design, development and manufacture of high precision timing, frequency control and synchronization products for space and terrestrial applications. Frequency's products are used in commercial, government and military systems, including satellite payloads, missiles, UAVs, aircraft, GPS, secure radios, SCADA, energy exploration and wireless communication networks. Frequency has received over 60 awards of excellence for achievements in providing high performance electronic assemblies for over 120 space programs. The Company invests significant resources in research and development and strategic acquisitions world-wide to expand its capabilities and markets. Subsidiaries and Affiliates: Gillam-FEI provides expertise in wireline network synchronization and SCADA; FEI-Zyfer provides GPS and secure timing ("SAASM") capabilities for critical military and commercial applications; FEI-Asia provides cost effective manufacturing and distribution capabilities in a high growth market. Frequency's Morion affiliate supplies high-quality, cost effective quartz oscillators and components. Elcom Technologies provides added resources for state-of-the-art RF microwave products. Additional information is available on the Company's website: www.frequencyelectronics.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: The Statements in this press release regarding 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, inability to integrate operations and personnel, actions by significant customers or competitors, general domestic and international economic conditions, consumer spending trends, reliance on key customers, 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, 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 release.

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