


Comtech
Telecommunications
Corp.



About the Company



Comtech Telecommunications Corp. is a global player in the growing market for sophisticated high technology microwave and telecommunications products and systems. Its products are used worldwide in satellite, tropospheric scatter and wireless communications systems. Its solid state, high power amplifiers are also used to test electronic systems for electromagnetic compatibility and susceptibility; for defense systems and for high power testing of electronic components and systems.

Comtech, through its subsidiaries, offers more than 200 products which are targeted to meet the specific needs of a broad base of the world's leading providers of telecommunication services and users of high power electronic test systems. Customers include domestic and foreign common carriers and telephone companies, defense contractors, medical and automotive suppliers, oil companies, private and wireless networks, broadcasters, utilities and government entities. Its four independent operating subsidiaries effectively address market niches while creating synergies between them.

The demand for improved telecommunications is increasing worldwide as emerging economies seek to modernize and as the communications needs in developed countries continues to expand. Comtech's established reputation for high quality engineering and manufacturing, and its diversified product and customer base, enable the Company to achieve its reputation as a cohesive, cost-effective, supplier of high performance telecommunications and high power instrumentation products.



To Our Shareholders:

Bookings, backlog and sales! Despite our concentrated and continuous major streamlining efforts and our focused and intense marketing and sales activity, last year's fall-off in bookings, backlog and sales essentially wrote the story—a \$2.87 million net loss on sales of only \$14.87 million; a year end backlog of only \$5 million compared to the year-earlier \$9.8 million.

However, even while working through this tough year, our strategies and dedicated efforts designed to generate volume and rebuild the top line have remained true to our long-term objectives. We did not go after "bad for us" business simply to bolster the numbers. We continued to build on our core competencies and to compete in the marketplace as a supplier of products rather than systems. We are continuing to focus our energies on creating a strong foundation for the future.

And while last year's volume-directed efforts had little impact on last year's results, we are now beginning to see some favorable indications as the picture at two of our operations, Comtech Antenna Systems, Inc. and Power Systems Technology, Inc., appears to be brightening. It is too early to say, however, whether the work we have been doing to reverse the bookings, backlog and sales trends has sufficiently taken hold.

I am pleased to note, however, that the pipeline of our outstanding proposals continues at a high level, albeit, award acceptance and timing continue to be unclear. And, of course, when dealing with the potential of major awards, translating an expectation into a reality takes a good bit of patient effort, hard work and creative energy—and our people have certainly been giving that, and more—and a good bit of luck.

Looking forward, as and when we are able to bring about volume increases, we should also realize an added benefit from having brought our cost structures to a level that should magnify the impact of increased revenues. The key phrase here again is "as and when."

Particularly because it has not been an easy year for any of us, your ongoing support and encouragement have been greatly appreciated.

Thank you,

A handwritten signature in black ink, appearing to read "Fred Kornberg".

Fred Kornberg
Chairman of the Board

November 7, 1994

Subsidiary

Comtech Antenna Systems, Inc.
3100 Communications Road
St. Cloud, Florida 34769
Tel: (407) 892-6111 Fax: (407) 957-3402

Services/Applications

CASI offers a wide variety (0.9 to 9.0M) of unique fiberglass and aluminum antenna systems for satellite and troposcatter communications applications; for cable and broadcast T.V., radio, video conferencing, teleports, corporate and university private satellite networks, entertainment networks and oil and natural gas producer communications.

Comtech Communications Corp.
4666 South Ash Avenue
Tempe, Arizona 85282
Tel: (602) 831-7501 Fax: (602) 831-7563

CCC designs and manufactures a broad selection of high quality, satellite communications equipment including frequency converters, low noise amplifiers and high power solid state amplifiers for the C-, X- and Ku-bands for satellite transmit and receive applications in INTELSAT, INMARSAT, DOMSAT and local VSAT networks.

Comtech Microwave Products Corp.
105 Baylis Road
Melville, New York 11747
Tel: (516) 777-8900 Fax: (516) 777-8877

CGS offers a selection of satellite earth station receiving and transmitting equipment, including frequency converters, low noise amplifiers, synthesizers, high power klystron tube amplifiers and related control and monitoring systems for defense telecommunications and weather monitoring applications.

- Comtech Government Systems Division

- Power Systems Technology Division

PST has emerged as an innovative supplier of solid state high power amplifiers (up to 10KW CW) for use in a broad spectrum of applications including telecommunications, cellular and wireless high power test systems, feed forward linear amplification systems, defense systems and electromagnetic compatibility and susceptibility (EMC) instrumentation.

- Scientific Power Systems Division

SPS produces state-of-the-art automated electromagnetic compatibility (EMC) instrumentation systems and products for commercial and defense applications such as radiated immunity and emission testing of computers, cellular networks and various electronic products used in automotive, medical, and aircraft applications.

Comtech Systems, Inc.
3100 Communications Road
St. Cloud, Florida 34769
Tel: (407) 892-6111 Fax: (407) 957-3402

CSI is the single source solution for telecommunications products and systems employing digital troposcatter for reliable over-the-horizon use and digital satellite for long distance national and international system and network applications for oil and gas producer communications, U.S. and foreign defense communications, domestic and foreign prime contractors serving foreign and domestic telecommunications needs.

Products/Markets

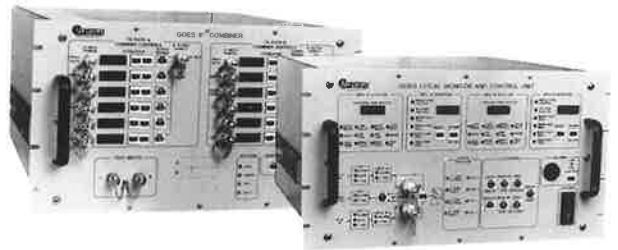
- Fixed and Mobile Antenna Systems—0.9 to 9.0 Meter
- Unique C- and Ku-Band Fly Away Antenna Systems—1.8 and 2.4 Meter
- Quick Erect INMARSAT Fold-Up Antennas—0.9 and 1.25 Meter
- Inclined Orbit Tracking Antenna Systems
- Multi-Beam Antenna Systems



- Frequency Up and Down Converters—C-, X- and Ku-Bands
- Tri-Band Frequency Converters
- Low Noise Amplifiers—C- and Ku-Bands
- Solid State High Power Amplifiers—C-, X- and Ku-Bands
- 1:N Redundancy Switching Systems—C- and Ku-Bands



- Low Noise Amplifiers—X-Band
- Klystron High Power Amplifiers—S- and X-Bands
- Frequency Synthesizers
- Frequency Up and Down Converters—S- and X-Bands
- Maintenance and Field Support Services



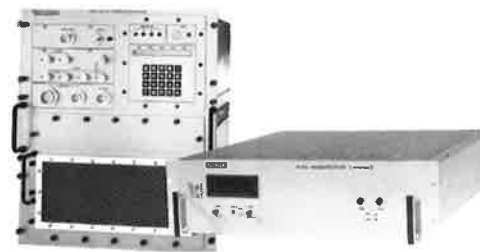
- Solid State High Power Amplifiers to 10KW CW
- Communication Amplifiers—Cellular, Video, Radio
- Instrumentation Amplifiers—EMC, Wireless, Cellular, Calibration
- Solid State Replacement of TWT Amplifiers
- Defense Amplifiers—Radar, Jamming, Simulation, Communication



- Electromagnetic Compatibility (EMC) Test Instrumentation
- LYNX-2000—Microprocessor Based Controller for Immunity Testing
- AIS-1000—Software for Automated Radiated Immunity Testing
- EFP-2000—Broadband Electric Field Probe for Measuring Test Fields
- Amplifiers—Electromagnetic Compatibility Testing



- Troposcatter Systems and Equipments—S- and C-Bands
- Satellite Systems and Equipments—C-, X- and Ku-Bands
- Pre-Detection Combining Systems
- Adaptive and Fade Resistant Modems
- Mini-Suitcase Satellite and Troposcatter Terminals





Comtech Telecommunications Corp.

105 Baylis Road

Melville, New York 11747

TEL: (516) 777-8900 • FAX: (516) 777-8977

COMTECH
TELECOMMUNICATIONS CORP.

105 Baylis Road
Melville, New York 11747

November 30, 1994

Dear Stockholder:

On behalf of the Board of Directors and management, I cordially invite you to attend the Annual Meeting of Stockholders of Comtech Telecommunications Corp. The meeting will be held at 10:00 a.m. on January 18, 1995 at the Marriott Hotel, 1350 Old Walt Whitman Road, Melville, New York 11747 for the purpose of electing two directors and approving the selection of the Company's auditors for the fiscal year ending July 31, 1995. Copies of the Notice of Annual Meeting of Stockholders, Proxy Statement and proxy card are enclosed.

It is important that your shares are voted at this meeting, whether or not you are able to attend in person. Please be certain, therefore, to promptly sign and return the enclosed proxy card in the envelope provided.

Sincerely,



FRED KORNBERG
*Chairman, Chief
Executive Officer
and President*

COMTECH
TELECOMMUNICATIONS CORP.

105 Baylis Road
Melville, New York 11747

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

JANUARY 18, 1995

The Annual Meeting of Stockholders of COMTECH TELECOMMUNICATIONS CORP. (the "Company") will be held at the Marriott Hotel, 1350 Old Walt Whitman Road, Melville, New York 11747, on Wednesday, January 18, 1995 at 10:00 a.m., local time, for the following purposes:

1. To elect two directors;
2. To ratify the selection of auditors for the current fiscal year;
3. To transact such other business as may properly come before the meeting.

Stockholders of record at the close of business on November 21, 1994 will be entitled to notice of and to vote at the meeting.

By Order of the Board of Directors,



J. PRESTON WINDUS, JR.
Secretary

November 30, 1994

IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE MEETING. ACCORDINGLY, WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN THE PROXY CARD IN THE STAMPED AND ADDRESSED ENVELOPE ENCLOSED FOR YOUR CONVENIENCE.

COMTECH
TELECOMMUNICATIONS CORP.

105 Baylis Road
Melville, New York 11747

PROXY STATEMENT

The enclosed proxy is solicited by the Board of Directors of Comtech Telecommunications Corp. (the "Company") for use at the Company's Annual Meeting of Stockholders to be held on January 18, 1995. It may be revoked at any time before exercise by delivering a written notice of revocation to the Secretary of the Company, by executing a subsequent proxy and presenting it to the Secretary of the Company, or by attending the Annual Meeting and voting in person. The persons named in the enclosed proxy will vote the shares represented by it in accordance with the directions specified therein. If no directions are specified, the proxy will be voted for the nominees for election as directors and for each matter described herein.

Only holders of record of the Company's Common Stock, par value \$.10 (the "Common Stock"), at the close of business on November 21, 1994 (the "Record Date") are entitled to notice of and to vote at the Annual Meeting, with each holder having one vote per share. As of the Record Date, a total of 2,605,344 shares of Common Stock were outstanding. It is anticipated that the mailing to Stockholders of this Proxy Statement and the enclosed proxy will commence by November 30, 1994.

The presence, in person or by proxy, of the holders of record at the close of business on the Record Date of a majority of the outstanding shares of Common Stock will constitute a quorum at the Annual Meeting. Directors will be elected by a plurality of the votes cast (i.e., the two nominees receiving the greatest number of votes will be elected as directors). The ratification of the selection of auditors will require the affirmative vote of a majority of the shares present at the Annual Meeting and entitled to vote on such proposals.

Abstentions and broker non-votes with respect to any proposal (which occur when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner) will be counted for purposes of determining the presence or absence of a quorum. Abstentions also will be counted in determining the number of shares present and entitled to vote on such proposal, but broker non-votes are not counted as entitled to vote thereon.

Principal Stockholders of Comtech Telecommunications Corp.

To the Company's knowledge, the following is the only person who beneficially owns over 5% of the Company's outstanding Common Stock (its only outstanding class of voting securities) as of October 18, 1994:

<u>Name of Beneficial Owner</u>	<u>Amount of Beneficial Ownership</u>	<u>Percent of Class</u>
Fred Kornberg 105 Baylis Road Melville, New York 11747	133,053 (1)	5.1%

(1) Includes 24,000 shares which Mr. Kornberg may acquire by the exercise of currently exercisable stock options and the 50,000 forfeitable shares Mr. Kornberg purchased as part of the extension and amendment in August 1992 of the agreement pursuant to which Mr. Kornberg is employed as the Company's Chief Executive Officer.

ELECTION OF DIRECTORS

Under the Company's Certificate of Incorporation, the Board of Directors is divided into three classes, with the number of directors in each class fixed by the Board of Directors, and with the term of office of one class expiring each year. There are presently six Board members, two in the class holding office until the Annual Meeting, two in the class holding office until the next succeeding Annual Meeting, and two in the class holding office until the second succeeding Annual Meeting.

Certain information concerning the directors who are being nominated for reelection at the meeting and the incumbent directors whose terms of office continue after the Annual Meeting and executive officers of the Company named in the section "Executive Compensation" and all directors and executive officers as a group, is set forth below.

While the Board of Directors has no reason to believe that either Mr. Goldberg or Dr. Bugliarello will not be available as a candidate for election, should such a situation arise, the enclosed proxy may be voted for the election of another nominee or nominees in the discretion of the persons acting pursuant to the proxy.

Nominees for Election at the Annual Meeting

<u>Name</u>	<u>Principal Occupation</u>	<u>Age</u>	<u>For Term Expiring In</u>	<u>Served As Director Since</u>	<u>Shares Beneficially Owned October 18, 1994 (1)</u>	<u>Percent of Class</u>
George Bugliarello (2)(3) ...	Chancellor, Polytechnic University	67	3 years	1977	15,400	*
Richard L. Goldberg (4) ...	Partner, Proskauer Rose Goetz & Mendelsohn	58	3 years	1983	4,000	*

Incumbent Directors Whose Terms of Office Continue After the Annual Meeting and Certain Executive Officers

<u>Name</u>	<u>Principal Occupation</u>	<u>Age</u>	<u>Term Expires In</u>	<u>Served As Director Since</u>	<u>Shares Beneficially Owned October 18, 1994 (1)</u>	<u>Percent of Class</u>
Gerard R. Nocita(2)(4)	Treasurer, Village of Patchogue	58	2 years	1993	9,000	*
John B. Payne(3)	President and CEO of Nucomm, Inc.	59	2 years	1993	2,000	*
Fred Kornberg(4)	Chairman, Chief Executive Officer & President of the Company	58	1 year	1971	133,053	5.1%
Sol S. Weiner(2)(3)	Managing Director Stenhouse, Weiner, Sherman, Ltd.	75	1 year	1980	14,000	*
Richard L. Burt	Vice President; President of Comtech Systems, Inc.	52	—	—	13,571	*

<u>Name</u>	<u>Principal Occupation</u>	<u>Age</u>	<u>Term Expires In</u>	<u>Served As Director Since</u>	<u>Shares Beneficially Owned October 18, 1994(1)</u>	<u>Percent of Class</u>
Glenn F. Higgins	Vice President; President of Comtech Antenna Systems, Inc.	59	—	—	6,500	*
Michael D. Javits.....	Vice President; President of Comtech Government Systems, a Division of Comtech Microwave Products Corp.	57	—	—	10,160	*
J. Preston Windus Jr.	Vice President, Chief Financial Officer and Secretary, President of Comtech Microwave Products Corp.	51	—	—	1,000	*
<u>All present directors and officers (10 persons)</u>					208,684	8.0%

* Less than one percent

- (1) Includes the following shares of Common Stock with respect to which such persons have the right to acquire beneficial ownership within sixty days from such date: Dr. Bugliarello 2,000 shares; Mr. Goldberg 2,000 shares; Mr. Kornberg 24,000 shares; Mr. Weiner 2,000 shares; Mr. Burt 8,640 shares; Mr. Higgins 6,400 shares; Mr. Javits 6,040 shares; Mr. Nocita 2,000 shares; Dr. Payne 2,000 shares; Mr. Windus 1,000 shares; and all directors and officers as a group 56,080 shares. These respective shares were deemed to be outstanding for purposes of calculating the respective percentages owned.
- (2) Member of Audit Committee.
- (3) Member of Executive Compensation Committee.
- (4) Member of Executive Committee.

Dr. Bugliarello is presently Chancellor of Polytechnic University and was President of the University since 1978. He is also a director of Long Island Lighting Company and Symbol Technologies, Inc.

Mr. Goldberg has been a partner since January 1990 in the law firm of Proskauer Rose Goetz & Mendelsohn, which renders legal services to the Company. Prior to that, Mr. Goldberg had been a partner in the law firm of Botein Hays & Sklar since 1966. He is also a director of Anthony Industries, Inc.

Mr. Kornberg has been Chief Executive Officer and President of the Company for more than the past five years.

Mr. Nocita is Treasurer of the Incorporated Village of Patchogue. Previously, he was affiliated with the Company since its inception in 1967 until his retirement in 1993. He had been Treasurer of the Company since 1987 and Vice President and Secretary since 1990.

Dr. Payne has been President and CEO of Nucomm, Inc. since 1990. Nucomm, Inc. produces products for satellite news gathering services. From 1973 through 1990 he had been President and CEO of Communications Technologies, Inc.

Mr. Weiner has been Managing Director of Stenhouse, Weiner, Sherman, Ltd., commodity pool managers, since March 1982. He is also a director of Anthony Industries, Inc.

During the past fiscal year, the Audit Committee of the Board of Directors held two meetings. The functions of the Committee include recommending to the Board the engagement of independent auditors, directing investigation into matters relating to audit functions, reviewing the plan and results of audits with the Company's auditors, reviewing the Company's internal accounting controls and approving services to be performed by the Company's auditors and related fees.

The Executive Compensation Committee of the Board of Directors considers and authorizes remuneration arrangements for senior management; the Committee also constitutes the Stock Option Committee of the Board of Directors, which administers the Company's 1993 Incentive Stock Option Plan. The Committee held three meetings during the past fiscal year.

The Executive Committee of the Board of Directors did not hold any meetings during the past fiscal year. Except as limited by law, the Executive Committee has the authority to act upon all matters requiring Board approval.

The Board of Directors has no Nominating Committee.

The Board of Directors held three meetings during the past fiscal year.

SELECTION OF AUDITORS

The Board of Directors has selected KPMG Peat Marwick LLP as the Company's auditors for the current fiscal year, subject to ratification by the stockholders. If the stockholders do not ratify such selection, it will be reconsidered by the Board. Representatives of KPMG Peat Marwick LLP are expected to be present at the Annual Meeting of Stockholders, with the opportunity to make a statement, should they so desire, and to be available to respond to appropriate questions.

The affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote thereon will be required to ratify the selection of KPMG Peat Marwick LLP as the Company's auditors for the current fiscal year.

The Board of Directors recommends that the stockholders vote FOR the ratification of the selection of KPMG Peat Marwick LLP as the Company's auditors.

EXECUTIVE COMPENSATION

Summary Compensation Table for the Fiscal Years Ended July 31, 1994, 1993 and 1992

Name and Principal Position	Fiscal Year	Annual Compensation			Long Term Compensation	
		Salary	Bonus	Other(1)	Options (No. of shares)	Restricted Stock Awards
Fred Kornberg(2)..... Chairman, Chief Executive Officer and President	1994	\$185,000	\$ —	\$43,542	—	—
	1993	174,578	14,790	36,664	—	\$187,500(3)
	1992	153,000	14,160	27,149	—	—
J. Preston Windus, Jr.(4) .. Vice President and Chief Financial Officer, President of Comtech Microwave Products Corp.	1994	100,000	—	6,000	15,000	—
	1993	—	—	—	—	—
	1992	—	—	—	—	—
Richard L. Burt(4)	1994	115,000	—	—	15,000	—
	1993	105,000	35,000	—	—	—
	1992	96,820	30,000	—	4,000	—
Glenn F. Higgins(4)	1994	95,000	—	6,000	8,000	—
	1993	90,000	17,000	6,000	2,000	—
	1992	84,536	20,000	8,076	—	—

Name and Principal Position	Fiscal Year	Annual Compensation			Long Term Compensation	
		Salary	Bonus	Other(1)	Options (No. of shares)	Restricted Stock Awards
Michael D. Javits(4).....	1994	\$95,000	—	\$ 4,860	—	—
Vice President,	1993	95,000	\$3,000	—	—	—
President of Comtech Government Systems, a Division of Comtech Microwave Products Corp.	1992	95,000	—	15,695	—	—

- (1) Mr. Kornberg's amount in fiscal 1994 consists of \$12,558 for an automobile allowance and \$30,984 for accrued vacation and sick days not used. In fiscal 1993, the amounts represent \$16,135 for an automobile allowance and \$20,529 for accrued vacation and sick days not used and for fiscal 1992, \$16,176 for an automobile allowance and \$9,326 for unused accrued vacation and sick days. With respect to Mr. Higgins, the amounts represent payments for an automobile allowance in fiscal 1994 and fiscal 1993 and unused accrued vacation and sick days in fiscal 1992. Mr. Javits' amount in fiscal 1994 and 1992 represents payments for accrued vacation and sick days not used. Mr. Windus' amount represents payments for an automobile allowance.
- (2) Mr. Kornberg is employed pursuant to an agreement which was amended and restated in August 1992 for the purpose of, among other things, extending his employment for an additional five years. As so amended, the agreement provides, among other things, for his employment until August 1997 at a current basic compensation rate of \$185,000 per annum and incentive compensation, not to exceed his basic compensation, equal to 1% of the Company's pre-tax income plus such additional amounts as the Board of Directors may from time to time determine. Fifty percent of any such incentive compensation is payable to Mr. Kornberg in the November following the fiscal year to which such compensation relates, an additional 25% is payable on the first anniversary of the initial 50% payment, and the final 25% is payable on the second anniversary of the initial payment. If Mr. Kornberg voluntarily terminates his employment with the Company other than after a Change in Control (as defined in his employment agreement), or if the Company terminates his employment due to disability or for cause, he will forfeit his right to receive accrued but unpaid incentive compensation. If a Change in Control of the Company occurs, Mr. Kornberg is entitled to terminate his employment and receive a lump sum payment (subject to possible adjustments to avoid the characterization of the payment as excess parachute payments and the consequent imposition of taxes under Section 4999 of the Internal Revenue Code of 1986) equal to the sum of (i) his then basic compensation for the balance of the employment period or three times his basic compensation, whichever is greater, (ii) accrued but unpaid incentive compensation with respect to prior fiscal years and (iii) if he so elects, the market value less the applicable exercise price, of any stock option then held by him. The aggregate of (i), (ii) and (iii), as of October 26, 1994, would have been \$601,935. Mr. Kornberg would also be entitled to receive benefits under the Company's benefit plans, or substantially equal benefits, for the remainder of the employment period.
- (3) Pursuant to his amended employment agreement and after stockholder approval, Mr. Kornberg purchased 50,000 forfeitable shares of the Company's Common Stock at a price of \$.50 per share. The closing sale price of the Common Stock on August 20, 1992, the date the Company and Mr. Kornberg contracted for the sale and purchase of such shares, was \$4.25. The shares are subject to forfeiture in full if Mr. Kornberg voluntarily terminates his employment prior to August 1997 (except after a Change in Control, as defined in the employment agreement) or if the Company terminates his employment for Cause (as defined in the employment agreement). If dividends were to be declared on the Company's Common Stock, these shares, which constitute the aggregate restricted stock holdings of Mr. Kornberg, would be entitled to receive such dividends along with all other outstanding shares.
- (4) Mr. Windus, Mr. Burt and Mr. Higgins are eligible to receive, in addition to their respective base compensation amounts, incentive compensation of up to 2.5% of the relevant subsidiary's pre-tax profits and Mr. Javits is eligible to receive up to 15% of his base compensation, based principally upon the attainment of various goals. These goals which may include target levels of sales, pre-tax profits, customer orders or cash flow, are developed by senior management and submitted to the Executive Compensation Committee for annual approval.

Option Grants in the Fiscal Year Ended July 31, 1994

Name	Options Granted(1)	% of Total	Exercise Price(2)	Expiration Date
Fred Kornberg	—	—	—	—
J. Preston Windus, Jr.	5,000	9.90%	\$7.50	08/01/03
	10,000	19.80%	4.25	04/28/04
Richard L. Burt	5,000	9.90%	7.50	08/01/03
	10,000	19.80%	4.25	04/28/04
Glenn F. Higgins	3,000	5.94%	7.50	08/01/03
	5,000	9.90%	4.25	04/28/04
Michael D. Javits.....	—	—	—	—

(1) One fifth of the options become exercisable on the first anniversary of the date of grant, and on each of the second through fifth anniversaries thereafter.

(2) The exercise price is the market price on the date the options were granted.

Aggregated Option Exercises in Fiscal Year Ended July 31, 1994 and Option Values As Of July 31, 1994

Name	Shares Acquired on Exercise	Value Realized	Number of Unexercised Options at July 31, 1994		Value of Unexercised In-the-Money Options at July 31, 1994(1)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Fred Kornberg	—	—	24,000	—	\$24,000	\$ —
J. Preston Windus	—	—	—	15,000	—	—
Richard L. Burt	—	—	7,640	17,400	4,740	—
Glenn F. Higgins	—	—	5,000	10,000	2,080	20
Michael D. Javits	—	—	6,040	—	5,020	—

(1) "In-the-Money Options" are options outstanding at the end of the last fiscal year for which the fair market value of the Common Stock on such date (\$3.50 per share) exceeded the exercise price of the options.

Compensation of Directors

Directors who are not salaried officers of the Company receive an annual retainer of \$8,000, plus \$500 for each Board meeting attended by them (up to an additional \$2,000 per annum). Under the Stock Option Plan, each director who is not already an officer or other employee of the Company will receive options to purchase 1,000 shares of Common Stock on each August 1st during the term of the Plan. The exercise price of all such options is equal to the stock's fair market value on such date.

Upon joining the Board on October 27, 1993, Mr. Nocita and Dr. Payne each received options to purchase 2,000 shares at \$9.13 per share (the fair market value on that date). In addition, each non-employee director who first joins the Board after October 27, 1993, will receive options to purchase 2,000 shares of the Company's Common Stock.

Certain Relationships and Related Transactions

In December 1991, the Company entered into a lease for its facilities in Melville, New York with a partnership controlled by the Company's Chairman and Chief Executive Officer. The lease, as amended, provides for the Company's exclusive use of the premises as they now exist for an initial term of ten years. The Company has the option to extend the term of the lease for an additional ten-year period, and a right of first refusal in the event of a sale of the facility. The annual rent under the lease (\$402,600 in 1994) is subject to adjustments.

In September 1988, the Company sold and simultaneously leased back its St. Cloud, Florida facility for \$600,000. The buyer/lessor is a partnership in which J. Preston Windus, Jr., one of the Company's officers, is a general partner. The annual rent under the lease (\$169,000 in 1994) is subject to adjustment.

OTHER MATTERS

The Board of Directors does not know of any other matters to be presented at the meeting. If other matters do come before the meeting, the persons acting pursuant to the proxy will vote on them in their discretion.

Proxies may be solicited by mail, telephone, telegram, and personally by directors, officers and other employees of the Company. The cost of soliciting proxies will be borne by the Company.

Certain information regarding the Company's executive officers has been omitted from this Proxy Statement in accordance with applicable regulations because such information is set forth in the Company's Annual Report on Form 10-K for fiscal 1994.

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers, and persons who own more than ten percent of a registered class of the Company's equity securities, if any, to file with the Securities and Exchange Commission ("SEC") reports of ownership, and reports of changes in ownership, of equity securities of the Company. Such persons are also required to furnish the Company with copies of all such reports that they file. Based solely on such reports and written representations of the Company's directors and executive officers, the Company believes that during the two fiscal year period ended July 31, 1994, the Company's executive officers and directors complied with all applicable Section 16(a) filing requirements, except that J. Preston Windus, Jr. inadvertently filed his initial report late. Such late report did not result in any transactions not being reported on a timely basis.

Proposals of stockholders intended to be presented at next year's Annual Meeting must be received by the Company no later than August 3, 1995 to be included in the proxy material for such meeting.

November 30, 1994



Comtech Telecommunications Corp.
105 Baylis Road
Melville, New York 11747
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