

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan AEROFLEX INCORPORATED EMPLOYEES' 401(K) PLAN 35 SOUTH SERVICE ROAD PO BOX 6022 PLAINVIEW, NY 11803	1b Three-digit plan number (PN) ►	002	
	1c Effective date of plan	03/01/1992	
	2b Employer Identification Number (EIN)	11-1974412	
	2c Sponsor's telephone number	516-694-6700	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) AEROFLEX INCORPORATED 35 SOUTH SERVICE ROAD PO BOX 6022 PLAINVIEW, NY 11803	2d Business code (see instructions)	335900	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	JANE BRADY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	CHARLES BADLATO
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") AEROFLEX INCORPORATED 35 SOUTH SERVICE ROAD PO BOX 6022 PLAINVIEW, NY 11803	3b Administrator's EIN 11-1974412 3c Administrator's telephone number 516-694-6700
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	2242
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	2041
b Retired or separated participants receiving benefits.....	6b	5
c Other retired or separated participants entitled to future benefits.....	6c	279
d Subtotal. Add lines 6a , 6b , and 6c	6d	2325
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	4
f Total. Add lines 6d and 6e	6f	2329
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	1844
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan AEROFLEX INCORPORATED EMPLOYEES' 401(K) PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 AEROFLEX INCORPORATED	D Employer Identification Number (EIN) 11-1974412

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
HARTFORD RETIREMENT SERVICES, LLC
26-1589907

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

BANK OF AMERICA, NA

94-1687665

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 19 25 37 50 52 59 60 62 63 64	0	86831	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration		DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2009 This Form is Open to Public Inspection.	
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009					
A Name of plan AEROFLEX INCORPORATED EMPLOYEES' 401(K) PLAN				B Three-digit plan number (PN) ▶ 002	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 AEROFLEX INCORPORATED				D Employer Identification Number (EIN) 11-1974412	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: STABLE ASSET FUND					
b Name of sponsor of entity listed in (a): BANK OF AMERICA, NA					
c EIN-PN 22-6459529-001		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 31198482	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan AEROFLEX INCORPORATED EMPLOYEES' 401(K) PLAN	B Three-digit plan number (PN)	002
C Plan sponsor's name as shown on line 2a of Form 5500 AEROFLEX INCORPORATED	D Employer Identification Number (EIN) 11-1974412	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	24950	
(2) Participant contributions	1b(2)	60893	11268
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	2302870	2253814
(9) Value of interest in common/collective trusts.....	1c(9)	28688057	31198482
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	70904399	93189240
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	101981169	126652804

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		14536
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	14536

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	101981169	126638268
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1986113	
(B) Participants	2a(1)(B)	9326112	
(C) Others (including rollovers)	2a(1)(C)	102883	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		11415108

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	155368	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		155368

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1383017	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1383017

(3) Rents	2b(3)		
-----------------	--------------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		911434
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		19111926
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		32976853

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	8305771	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		8305771
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		3995
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	9988	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		9988
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		8319754

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		24657099
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: HOLTZ RUBENSTEIN REMINICK LLP

(2) EIN: 11-2355064

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....	X		7050
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan AEROFLEX INCORPORATED EMPLOYEES' 401(K) PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 AEROFLEX INCORPORATED	D Employer Identification Number (EIN) 11-1974412

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 06-0974148	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN**

REPORT ON AUDIT OF FINANCIAL STATEMENTS

Year Ended December 31, 2009

AEROFLEX INCORPORATED EMPLOYEES' 401(k) PLAN

Contents

Year Ended December 31, 2009

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Financial Statements

Independent Auditors' Report

Trustees
Aeroflex Incorporated
Employees' 401(k) Plan
Plainview, New York

We were engaged to audit the financial statements and supplemental schedules of Aeroflex Incorporated Employees' 401(k) Plan (the "Plan") as of December 31, 2009 and 2008, and for the year ended December 31, 2009, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of December 31, 2009 and 2008, and for the year ended December 31, 2009, that the information provided to the Plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Holtz Rubenstein Reminick LLP

Melville, New York
August 20, 2010

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2009	2008
Assets		
Investments, at fair value	\$ 124,387,722	\$ 99,592,456
Participant Loans Receivable	2,253,814	2,302,870
Participant Contributions Receivable	11,268	60,893
Employer Contribution Receivable	-	24,950
Total Assets	<u>126,652,804</u>	<u>101,981,169</u>
Liabilities		
Deferred Contributions	<u>14,536</u>	-
Net Assets Reflecting Investments, at fair value	126,638,268	101,981,169
Adjustment from Fair Value to Contract Value for Fully Benefit-Responsive Investment Contract	(129,382)	1,172,108
Net Assets Available for Benefits	<u>\$ 126,508,886</u>	<u>\$ 103,153,277</u>

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2009

Additions:

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 17,810,436
Interest and dividend income	2,449,819
	<u>20,260,255</u>

Contributions:

Participant contributions	9,326,112
Employer contributions	1,986,113
Rollover contributions	102,883
	<u>11,415,108</u>
Total	<u>31,675,363</u>

Deductions:

Deductions from net assets attributed to:

Benefits paid to participants	8,309,766
Administrative expenses	9,988
Total	<u>8,319,754</u>

Net Increase	23,355,609
Net Assets Available for Benefits, beginning of year	103,153,277
Net Assets Available for Benefits, end of year	<u>\$ 126,508,886</u>

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

1. Description of the Plan

The following description of the Aeroflex Incorporated Employees' 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution plan sponsored by Aeroflex Incorporated. The Plan was established effective March 1, 1992, and most recently amended, effective July 1, 2007. Nonunion employees of Aeroflex Incorporated and domestic subsidiaries (collectively, the "Company") become eligible to participate in the Plan effective on the first day of the month following six months of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") as amended.

Contributions - Under the terms of the Plan, each participant may contribute up to 30% of their eligible compensation on a before-tax basis up to the maximum allowed (\$16,500 in 2009) by the Internal Revenue Service ("IRS"). Pursuant to EGTRRA, all participants who attained the age of 50 before the close of the Plan year are eligible to make additional "catch-up" contributions.

The Company provides a discretionary match on each participant's contribution. During the period January 1, 2009 through June 30, 2009, the Company matched 50% of the participant's contribution up to the first 8% of the participant's annual compensation, as defined by the Plan. Effective July 1, 2009, the Company's board of directors voted to no longer match participant contributions to the Plan.

Subsequent to December 31, 2009, the Company's board of directors voted to resume matching participant contributions to the Plan. The Company will match 40% of the first 8% of a participant's contribution effective July 1, 2010.

Participant accounts - Each participant's account is credited with the participant's contribution, the Company's discretionary matching contribution, rollovers and an allocation of the 401(k) Plan's earnings (losses). The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Management of the funds - All of the investment assets of the Plan are held in a trust for the exclusive benefit of participants and their beneficiaries under the Plan. Contributions are invested in investment funds, as directed by the Plan participants. Participants may change their investment elections at any time.

Vesting - Participants are immediately, and at all times, vested in their voluntary contributions, Company matching contributions, and the actual earnings thereon.

Participant loans receivable - Participants may borrow from their fund accounts the lesser of \$50,000 or 50% of the vested portion of their account balance. The loans are secured by the vested balance of the participant's account and bear interest at rates ranging from 4.25% to 10.50%. Principal and interest is paid ratably through payroll deductions.

Payment of benefits - Participants are entitled to receive a distribution of their interest in the Plan upon termination of employment, retirement, in the event they became disabled or in the event of financial hardship as defined by the Plan. The beneficiary or beneficiaries of a participant's interest are entitled to receive a distribution of such interest in the Plan upon the death of the respective participant.

Unallocated assets - At December 31, 2009, unallocated assets totaled approximately \$5,400. Such unallocated assets may be used to reduce future employer contributions or pay administrative expenses. For the year ended December 31, 2009, approximately \$10,300 of the Plan's unallocated assets was utilized to reduce employer contributions.

AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN**Notes to Financial Statements***Year Ended December 31, 2009***2. Summary of Significant Accounting Policies**

Basis of accounting - The accompanying financial statements are prepared under the accrual basis of accounting.

Uncertain tax positions - The Plan adopted the provisions of "Accounting for Uncertainty in Income Taxes" which prescribes recognition thresholds that must be met before a tax position is recognized in the financial statements and provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. Under "Accounting for Uncertainty in Income Taxes", an entity may only recognize or continue to recognize tax positions that meet a "more-likely-than-not" threshold. The Plan has evaluated its tax positions for the year ended December 31, 2009, and does not expect a material adjustment to be made.

Investment valuation and income recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Payment of benefits - Benefits to participants are recorded when paid.

Operating expenses - Administrative expenses incurred are the shared responsibility of the Plan and the Company.

3. Certified Financial Information

The Plan administrator has obtained a certification from Reliance Trust Company ("Reliance"), the custodian of the Plan. The fair value of investments at December 31, 2009 and 2008, totaling \$124,387,722 and \$99,592,456, respectively, were certified by Reliance as complete and accurate in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the ERISA. Investment income for the year ended December 31, 2009 was also certified by Reliance.

4. Investments

The following presents investments at December 31, 2009 and 2008, that represent 5% or more of the Plan's net assets:

	2009	2008
Stable Asset Fund	\$ 31,198,482	\$ 28,688,057
Columbia Core Bond Fund	9,519,373	8,143,116
Columbia Large Company Index Fund	10,164,474	8,265,150
American Growth Fund of America	11,537,250	8,460,382
Columbia Small Cap Value Fund	7,379,331	5,365,667
Columbia Disciplined Value Fund	10,536,493	9,133,316
MFS Total Return Fund	12,482,100	11,671,033
Columbia Acorn Select	6,370,924	*

* Did not meet 5% criteria at the respective financial statement date.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

5. Fair Value Measurements

Financial Accounting Standards Board ("FASB") ASC 820, "*Fair Value Measurements and Disclosures*," establishes the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active market for identical assets or liabilities (Level 1 measurements) and the lowest priority to the unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from and corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009:

Stable asset fund - Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

Mutual funds - Valued at the net asset value ("NAV") of shares held by the Plan at year end.

Participant loans - Valued at amortized cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

<i>December 31, 2009</i>	Level 1	Level 2	Level 3	Total
Assets:				
Mutual funds:				
Stock funds	\$ 68,430,575	\$ -	\$ -	\$ 68,430,575
Bond funds	9,519,373	-	-	9,519,373
Blend funds	15,239,292	-	-	15,239,292
Total mutual funds	93,189,240	-	-	93,189,240
Stable asset fund	-	-	31,198,482	31,198,482
Participant loans	-	-	2,253,814	2,253,814
Total	\$ 93,189,240	\$ -	\$ 33,452,296	\$ 126,641,536

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

<i>December 31, 2008</i>	Level 1	Level 2	Level 3	Total
Assets:				
Mutual funds	\$ 70,904,399	\$ -	\$ -	\$ 70,904,399
Stable asset fund	-	-	28,688,057	28,688,057
Participant loans	-	-	2,302,870	2,302,870
Total	\$ 70,904,399	\$ -	\$ 30,990,927	\$ 101,895,326

Reclassification of mutual funds - At December 31, 2008, the Plan's mutual funds were classified as a Level 2 investment based upon the information available to management. During the year ended December 31, 2009, additional information was available which resulted in the conclusion that the Plan's mutual funds are a Level 1 investment. The fair value hierarchy of the Plan's investment at December 31, 2008 has been reclassified to conform with the fiscal 2009 classifications.

Level 3 gains and losses - The following table sets forth a summary of changes in fair value of the Plan's Level 3 for the year ended December 31, 2009:

	Level 3 Assets	
	Stable Asset Fund	Participant Loans Receivable
Balance, beginning of year	\$ 28,688,057	\$ 2,302,870
Purchases, Sales, Issuances and Settlements (net)	2,510,425	(49,056)
Balance, end of year	\$ 31,198,482	\$ 2,253,814

6. Investment Contract with Insurance Company

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets of a collective investment fund attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for benefits presents the fair value of the investment contracts, as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

7. Deferred Contributions

Deferred contributions consist of participant contributions received by the Plan prior to year end December 31, 2009 which relates to the Plan year ended December 31, 2010.

8. Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it does have the right to do so at any time, subject to the provisions of ERISA. In the event that the Plan is terminated, participants will become eligible for immediate distribution of 100% of their accounts.

9. Related Party Transactions

The Plan invests in the Stable Asset Fund. Bank of America is the trustee as defined by the Plan and, therefore, these transactions represent party-in-interest transactions. Purchases and sales of this investment are open market transactions at fair market value. As disclosed in Note 6, the investment has been adjusted to contract value. Such transactions are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA and applicable exemptions promulgated thereunder. Fees paid by the Plan for investment management services related to this investment in a commingled fund totaled approximately \$77,000 during the year ended December 31, 2009.

Certain Plan investments are shares of mutual funds managed by Columbia Management Group, an indirect, wholly-owned subsidiary of Bank of America. Bank of America is the trustee as defined by the Plan and, therefore, these transactions represent party-in-interest transactions. Purchases and sales of these funds are open market transactions at fair market value. Such transactions are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA and applicable exemptions promulgated thereunder.

10. Tax Status

The Plan adopted a prototype plan which has received an opinion letter from the IRS dated May 31, 2005, indicating that the prototype plan document was in accordance with the applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has not filed for an individual determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

11. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statement of assets available for benefits.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

12. Reconciliation of Financial Statements to Form 5500

The differences between the information reported in the financial statements and the information reported in the Form 5500 arise primarily from presenting investment contracts at fair value in the financial statements.

The following is a reconciliation of net assets available for benefits:

<i>December 31,</i>	2009	2008
Net Assets Available for Benefits	\$ 126,652,804	\$ 103,153,277
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts	129,382	(1,172,108)
Net Assets per Form 5500	<u>\$ 126,638,268</u>	<u>\$ 101,981,169</u>

The following is a reconciliation of net increase for the year ended December 31, 2009 to Form 5500:

Net Increase in Assets Available for Benefits	\$ 23,355,609
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts, current year	129,382
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts, prior year	1,172,108
Net Increase per Form 5500	<u>\$ 24,657,099</u>

13. Subsequent Event

The Plan has evaluated subsequent events through August 20, 2010, the date the financial statements were available to be issued, for potential recognition or disclosure in the financial statements.

Supplemental Schedules

AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN

Schedule H, Line 4i; (EIN): 11-1974412; (PN): 002

Schedule of Assets (Held at End of Year)*December 31, 2009*

(a)	(b)	(c)	(d)	(e)
	Identity of issuer, borrower, lessor or similar party.	Description of Investment (including maturity date, rate of interest, collateral par or maturity value).	Cost**	Current Value
*	Bank of America	Stable Asset Fund		\$ 31,198,482
*	Columbia Acorn	Interest in Registered Investment Company		5,631,680
	Royce Value Plus - Service Fund	Interest in Registered Investment Company		1,466,789
	Neuberger & Berman Equity Partners Fund	Interest in Registered Investment Company		390,877
*	AIM Financial Services Fund	Interest in Registered Investment Company		23
	American Growth Fund of America	Interest in Registered Investment Company		11,537,250
*	Columbia Acorn Select	Interest in Registered Investment Company		6,370,924
	Janus Fund	Interest in Registered Investment Company		1,915,003
*	Columbia Balanced Fund	Interest in Registered Investment Company		2,757,192
*	Columbia Disciplined Value Fund	Interest in Registered Investment Company		10,536,493
*	Columbia Core Bond Fund	Interest in Registered Investment Company		9,519,373
*	Columbia Large Company Index Fund	Interest in Registered Investment Company		10,164,474
*	Columbia Small Cap Value Fund	Interest in Registered Investment Company		7,379,331
	MFS Total Return Fund	Interest in Registered Investment Company		12,482,100
	Templeton Foreign Fund	Interest in Registered Investment Company		4,701,073
	Blackrock Large Cap Value - INS	Interest in Registered Investment Company		1,761,156
	American Europacific Growth	Interest in Registered Investment Company		4,133,071
	Dreyfus Mid Cap Index	Interest in Registered Investment Company		2,442,431
				<u>\$ 124,387,722</u>
	Participant Loans	Participant loans receivable, with interest rates ranging from 4.25% to 10.50%, maturing at various dates through October 2020.		<u>\$ 2,253,814</u>

* Indicates party-in-interest.

** Information not required when reporting investments directed by participants.

AEROFLEX INCORPORATED EMPLOYEES' 401(k) PLAN

Schedule H, Line 4a; (EIN): 11-1974412; (PN): 002

Schedule of Delinquent Participant Contributions

December 31, 2009

Participant Contributions Transferred Late to the Plan	Loan Repayment Included in Delinquent Contribution?	Total that Constitutes Non-exempt Prohibited Transactions			Total Fully Corrected under VFCP and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 7,050		\$ -	\$ -	\$ -	\$ 7,050

**AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN**

REPORT ON AUDIT OF FINANCIAL STATEMENTS

Year Ended December 31, 2009

AEROFLEX INCORPORATED EMPLOYEES' 401(k) PLAN

Contents

Year Ended December 31, 2009

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Financial Statements

Independent Auditors' Report

Trustees
Aeroflex Incorporated
Employees' 401(k) Plan
Plainview, New York

We were engaged to audit the financial statements and supplemental schedules of Aeroflex Incorporated Employees' 401(k) Plan (the "Plan") as of December 31, 2009 and 2008, and for the year ended December 31, 2009, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of December 31, 2009 and 2008, and for the year ended December 31, 2009, that the information provided to the Plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Holtz Rubenstein Reminick LLP

Melville, New York
August 20, 2010

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2009	2008
Assets		
Investments, at fair value	\$ 124,387,722	\$ 99,592,456
Participant Loans Receivable	2,253,814	2,302,870
Participant Contributions Receivable	11,268	60,893
Employer Contribution Receivable	-	24,950
Total Assets	<u>126,652,804</u>	<u>101,981,169</u>
Liabilities		
Deferred Contributions	<u>14,536</u>	-
Net Assets Reflecting Investments, at fair value	126,638,268	101,981,169
Adjustment from Fair Value to Contract Value for Fully Benefit-Responsive Investment Contract	(129,382)	1,172,108
Net Assets Available for Benefits	<u>\$ 126,508,886</u>	<u>\$ 103,153,277</u>

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2009

Additions:

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 17,810,436
Interest and dividend income	2,449,819
	<u>20,260,255</u>

Contributions:

Participant contributions	9,326,112
Employer contributions	1,986,113
Rollover contributions	102,883
	<u>11,415,108</u>
Total	<u>31,675,363</u>

Deductions:

Deductions from net assets attributed to:

Benefits paid to participants	8,309,766
Administrative expenses	9,988
Total	<u>8,319,754</u>

Net Increase	23,355,609
Net Assets Available for Benefits, beginning of year	103,153,277
Net Assets Available for Benefits, end of year	<u>\$ 126,508,886</u>

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

1. Description of the Plan

The following description of the Aeroflex Incorporated Employees' 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution plan sponsored by Aeroflex Incorporated. The Plan was established effective March 1, 1992, and most recently amended, effective July 1, 2007. Nonunion employees of Aeroflex Incorporated and domestic subsidiaries (collectively, the "Company") become eligible to participate in the Plan effective on the first day of the month following six months of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") as amended.

Contributions - Under the terms of the Plan, each participant may contribute up to 30% of their eligible compensation on a before-tax basis up to the maximum allowed (\$16,500 in 2009) by the Internal Revenue Service ("IRS"). Pursuant to EGTRRA, all participants who attained the age of 50 before the close of the Plan year are eligible to make additional "catch-up" contributions.

The Company provides a discretionary match on each participant's contribution. During the period January 1, 2009 through June 30, 2009, the Company matched 50% of the participant's contribution up to the first 8% of the participant's annual compensation, as defined by the Plan. Effective July 1, 2009, the Company's board of directors voted to no longer match participant contributions to the Plan.

Subsequent to December 31, 2009, the Company's board of directors voted to resume matching participant contributions to the Plan. The Company will match 40% of the first 8% of a participant's contribution effective July 1, 2010.

Participant accounts - Each participant's account is credited with the participant's contribution, the Company's discretionary matching contribution, rollovers and an allocation of the 401(k) Plan's earnings (losses). The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Management of the funds - All of the investment assets of the Plan are held in a trust for the exclusive benefit of participants and their beneficiaries under the Plan. Contributions are invested in investment funds, as directed by the Plan participants. Participants may change their investment elections at any time.

Vesting - Participants are immediately, and at all times, vested in their voluntary contributions, Company matching contributions, and the actual earnings thereon.

Participant loans receivable - Participants may borrow from their fund accounts the lesser of \$50,000 or 50% of the vested portion of their account balance. The loans are secured by the vested balance of the participant's account and bear interest at rates ranging from 4.25% to 10.50%. Principal and interest is paid ratably through payroll deductions.

Payment of benefits - Participants are entitled to receive a distribution of their interest in the Plan upon termination of employment, retirement, in the event they became disabled or in the event of financial hardship as defined by the Plan. The beneficiary or beneficiaries of a participant's interest are entitled to receive a distribution of such interest in the Plan upon the death of the respective participant.

Unallocated assets - At December 31, 2009, unallocated assets totaled approximately \$5,400. Such unallocated assets may be used to reduce future employer contributions or pay administrative expenses. For the year ended December 31, 2009, approximately \$10,300 of the Plan's unallocated assets was utilized to reduce employer contributions.

AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN**Notes to Financial Statements***Year Ended December 31, 2009***2. Summary of Significant Accounting Policies**

Basis of accounting - The accompanying financial statements are prepared under the accrual basis of accounting.

Uncertain tax positions - The Plan adopted the provisions of "Accounting for Uncertainty in Income Taxes" which prescribes recognition thresholds that must be met before a tax position is recognized in the financial statements and provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. Under "Accounting for Uncertainty in Income Taxes", an entity may only recognize or continue to recognize tax positions that meet a "more-likely-than-not" threshold. The Plan has evaluated its tax positions for the year ended December 31, 2009, and does not expect a material adjustment to be made.

Investment valuation and income recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

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Operating expenses - Administrative expenses incurred are the shared responsibility of the Plan and the Company.

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The Plan administrator has obtained a certification from Reliance Trust Company ("Reliance"), the custodian of the Plan. The fair value of investments at December 31, 2009 and 2008, totaling \$124,387,722 and \$99,592,456, respectively, were certified by Reliance as complete and accurate in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the ERISA. Investment income for the year ended December 31, 2009 was also certified by Reliance.

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AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

5. Fair Value Measurements

Financial Accounting Standards Board ("FASB") ASC 820, "*Fair Value Measurements and Disclosures*," establishes the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active market for identical assets or liabilities (Level 1 measurements) and the lowest priority to the unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

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- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from and corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009:

Stable asset fund - Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

Mutual funds - Valued at the net asset value ("NAV") of shares held by the Plan at year end.

Participant loans - Valued at amortized cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

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Blend funds	15,239,292	-	-	15,239,292
Total mutual funds	93,189,240	-	-	93,189,240
Stable asset fund	-	-	31,198,482	31,198,482
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Total	\$ 93,189,240	\$ -	\$ 33,452,296	\$ 126,641,536

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

<i>December 31, 2008</i>	Level 1	Level 2	Level 3	Total
Assets:				
Mutual funds	\$ 70,904,399	\$ -	\$ -	\$ 70,904,399
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Total	\$ 70,904,399	\$ -	\$ 30,990,927	\$ 101,895,326

Reclassification of mutual funds - At December 31, 2008, the Plan's mutual funds were classified as a Level 2 investment based upon the information available to management. During the year ended December 31, 2009, additional information was available which resulted in the conclusion that the Plan's mutual funds are a Level 1 investment. The fair value hierarchy of the Plan's investment at December 31, 2008 has been reclassified to conform with the fiscal 2009 classifications.

Level 3 gains and losses - The following table sets forth a summary of changes in fair value of the Plan's Level 3 for the year ended December 31, 2009:

	Level 3 Assets	
	Stable Asset Fund	Participant Loans Receivable
Balance, beginning of year	\$ 28,688,057	\$ 2,302,870
Purchases, Sales, Issuances and Settlements (net)	2,510,425	(49,056)
Balance, end of year	\$ 31,198,482	\$ 2,253,814

6. Investment Contract with Insurance Company

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets of a collective investment fund attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for benefits presents the fair value of the investment contracts, as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

7. Deferred Contributions

Deferred contributions consist of participant contributions received by the Plan prior to year end December 31, 2009 which relates to the Plan year ended December 31, 2010.

8. Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it does have the right to do so at any time, subject to the provisions of ERISA. In the event that the Plan is terminated, participants will become eligible for immediate distribution of 100% of their accounts.

9. Related Party Transactions

The Plan invests in the Stable Asset Fund. Bank of America is the trustee as defined by the Plan and, therefore, these transactions represent party-in-interest transactions. Purchases and sales of this investment are open market transactions at fair market value. As disclosed in Note 6, the investment has been adjusted to contract value. Such transactions are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA and applicable exemptions promulgated thereunder. Fees paid by the Plan for investment management services related to this investment in a commingled fund totaled approximately \$77,000 during the year ended December 31, 2009.

Certain Plan investments are shares of mutual funds managed by Columbia Management Group, an indirect, wholly-owned subsidiary of Bank of America. Bank of America is the trustee as defined by the Plan and, therefore, these transactions represent party-in-interest transactions. Purchases and sales of these funds are open market transactions at fair market value. Such transactions are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA and applicable exemptions promulgated thereunder.

10. Tax Status

The Plan adopted a prototype plan which has received an opinion letter from the IRS dated May 31, 2005, indicating that the prototype plan document was in accordance with the applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has not filed for an individual determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

11. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statement of assets available for benefits.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

12. Reconciliation of Financial Statements to Form 5500

The differences between the information reported in the financial statements and the information reported in the Form 5500 arise primarily from presenting investment contracts at fair value in the financial statements.

The following is a reconciliation of net assets available for benefits:

<i>December 31,</i>	2009	2008
Net Assets Available for Benefits	\$ 126,652,804	\$ 103,153,277
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts	129,382	(1,172,108)
Net Assets per Form 5500	<u>\$ 126,638,268</u>	<u>\$ 101,981,169</u>

The following is a reconciliation of net increase for the year ended December 31, 2009 to Form 5500:

Net Increase in Assets Available for Benefits	\$ 23,355,609
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts, current year	129,382
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts, prior year	1,172,108
Net Increase per Form 5500	<u>\$ 24,657,099</u>

13. Subsequent Event

The Plan has evaluated subsequent events through August 20, 2010, the date the financial statements were available to be issued, for potential recognition or disclosure in the financial statements.

Supplemental Schedules

AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN

Schedule H, Line 4i; (EIN): 11-1974412; (PN): 002

Schedule of Assets (Held at End of Year)*December 31, 2009*

(a)	(b)	(c)	(d)	(e)
	Identity of issuer, borrower, lessor or similar party.	Description of Investment (including maturity date, rate of interest, collateral par or maturity value).	Cost**	Current Value
*	Bank of America	Stable Asset Fund		\$ 31,198,482
*	Columbia Acorn	Interest in Registered Investment Company		5,631,680
	Royce Value Plus - Service Fund	Interest in Registered Investment Company		1,466,789
	Neuberger & Berman Equity Partners Fund	Interest in Registered Investment Company		390,877
*	AIM Financial Services Fund	Interest in Registered Investment Company		23
	American Growth Fund of America	Interest in Registered Investment Company		11,537,250
*	Columbia Acorn Select	Interest in Registered Investment Company		6,370,924
	Janus Fund	Interest in Registered Investment Company		1,915,003
*	Columbia Balanced Fund	Interest in Registered Investment Company		2,757,192
*	Columbia Disciplined Value Fund	Interest in Registered Investment Company		10,536,493
*	Columbia Core Bond Fund	Interest in Registered Investment Company		9,519,373
*	Columbia Large Company Index Fund	Interest in Registered Investment Company		10,164,474
*	Columbia Small Cap Value Fund	Interest in Registered Investment Company		7,379,331
	MFS Total Return Fund	Interest in Registered Investment Company		12,482,100
	Templeton Foreign Fund	Interest in Registered Investment Company		4,701,073
	Blackrock Large Cap Value - INS	Interest in Registered Investment Company		1,761,156
	American Europacific Growth	Interest in Registered Investment Company		4,133,071
	Dreyfus Mid Cap Index	Interest in Registered Investment Company		2,442,431
				<u>\$ 124,387,722</u>
	Participant Loans	Participant loans receivable, with interest rates ranging from 4.25% to 10.50%, maturing at various dates through October 2020.		<u>\$ 2,253,814</u>

* Indicates party-in-interest.

** Information not required when reporting investments directed by participants.

AEROFLEX INCORPORATED EMPLOYEES' 401(k) PLAN

Schedule H, Line 4a; (EIN): 11-1974412; (PN): 002

Schedule of Delinquent Participant Contributions

December 31, 2009

Participant Contributions Transferred Late to the Plan	Loan Repayment Included in Delinquent Contribution?	Total that Constitutes Non-exempt Prohibited Transactions			Total Fully Corrected under VFCP and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 7,050		\$ -	\$ -	\$ -	\$ 7,050

**AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN**

REPORT ON AUDIT OF FINANCIAL STATEMENTS

Year Ended December 31, 2009

AEROFLEX INCORPORATED EMPLOYEES' 401(k) PLAN

Contents

Year Ended December 31, 2009

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Financial Statements

Independent Auditors' Report

Trustees
Aeroflex Incorporated
Employees' 401(k) Plan
Plainview, New York

We were engaged to audit the financial statements and supplemental schedules of Aeroflex Incorporated Employees' 401(k) Plan (the "Plan") as of December 31, 2009 and 2008, and for the year ended December 31, 2009, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of December 31, 2009 and 2008, and for the year ended December 31, 2009, that the information provided to the Plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Holtz Rubenstein Reminick LLP

Melville, New York
August 20, 2010

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2009	2008
Assets		
Investments, at fair value	\$ 124,387,722	\$ 99,592,456
Participant Loans Receivable	2,253,814	2,302,870
Participant Contributions Receivable	11,268	60,893
Employer Contribution Receivable	-	24,950
Total Assets	<u>126,652,804</u>	<u>101,981,169</u>
Liabilities		
Deferred Contributions	<u>14,536</u>	-
Net Assets Reflecting Investments, at fair value	126,638,268	101,981,169
Adjustment from Fair Value to Contract Value for Fully Benefit-Responsive Investment Contract	(129,382)	1,172,108
Net Assets Available for Benefits	<u>\$ 126,508,886</u>	<u>\$ 103,153,277</u>

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2009

Additions:

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 17,810,436
Interest and dividend income	2,449,819
	<u>20,260,255</u>

Contributions:

Participant contributions	9,326,112
Employer contributions	1,986,113
Rollover contributions	102,883
	<u>11,415,108</u>
Total	<u>31,675,363</u>

Deductions:

Deductions from net assets attributed to:

Benefits paid to participants	8,309,766
Administrative expenses	9,988
Total	<u>8,319,754</u>

Net Increase	23,355,609
Net Assets Available for Benefits, beginning of year	103,153,277
Net Assets Available for Benefits, end of year	<u>\$ 126,508,886</u>

AEROFLEX INCORPORATED EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

1. Description of the Plan

The following description of the Aeroflex Incorporated Employees' 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution plan sponsored by Aeroflex Incorporated. The Plan was established effective March 1, 1992, and most recently amended, effective July 1, 2007. Nonunion employees of Aeroflex Incorporated and domestic subsidiaries (collectively, the "Company") become eligible to participate in the Plan effective on the first day of the month following six months of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") as amended.

Contributions - Under the terms of the Plan, each participant may contribute up to 30% of their eligible compensation on a before-tax basis up to the maximum allowed (\$16,500 in 2009) by the Internal Revenue Service ("IRS"). Pursuant to EGTRRA, all participants who attained the age of 50 before the close of the Plan year are eligible to make additional "catch-up" contributions.

The Company provides a discretionary match on each participant's contribution. During the period January 1, 2009 through June 30, 2009, the Company matched 50% of the participant's contribution up to the first 8% of the participant's annual compensation, as defined by the Plan. Effective July 1, 2009, the Company's board of directors voted to no longer match participant contributions to the Plan.

Subsequent to December 31, 2009, the Company's board of directors voted to resume matching participant contributions to the Plan. The Company will match 40% of the first 8% of a participant's contribution effective July 1, 2010.

Participant accounts - Each participant's account is credited with the participant's contribution, the Company's discretionary matching contribution, rollovers and an allocation of the 401(k) Plan's earnings (losses). The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Management of the funds - All of the investment assets of the Plan are held in a trust for the exclusive benefit of participants and their beneficiaries under the Plan. Contributions are invested in investment funds, as directed by the Plan participants. Participants may change their investment elections at any time.

Vesting - Participants are immediately, and at all times, vested in their voluntary contributions, Company matching contributions, and the actual earnings thereon.

Participant loans receivable - Participants may borrow from their fund accounts the lesser of \$50,000 or 50% of the vested portion of their account balance. The loans are secured by the vested balance of the participant's account and bear interest at rates ranging from 4.25% to 10.50%. Principal and interest is paid ratably through payroll deductions.

Payment of benefits - Participants are entitled to receive a distribution of their interest in the Plan upon termination of employment, retirement, in the event they became disabled or in the event of financial hardship as defined by the Plan. The beneficiary or beneficiaries of a participant's interest are entitled to receive a distribution of such interest in the Plan upon the death of the respective participant.

Unallocated assets - At December 31, 2009, unallocated assets totaled approximately \$5,400. Such unallocated assets may be used to reduce future employer contributions or pay administrative expenses. For the year ended December 31, 2009, approximately \$10,300 of the Plan's unallocated assets was utilized to reduce employer contributions.

AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN**Notes to Financial Statements***Year Ended December 31, 2009***2. Summary of Significant Accounting Policies**

Basis of accounting - The accompanying financial statements are prepared under the accrual basis of accounting.

Uncertain tax positions - The Plan adopted the provisions of "Accounting for Uncertainty in Income Taxes" which prescribes recognition thresholds that must be met before a tax position is recognized in the financial statements and provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. Under "Accounting for Uncertainty in Income Taxes", an entity may only recognize or continue to recognize tax positions that meet a "more-likely-than-not" threshold. The Plan has evaluated its tax positions for the year ended December 31, 2009, and does not expect a material adjustment to be made.

Investment valuation and income recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Payment of benefits - Benefits to participants are recorded when paid.

Operating expenses - Administrative expenses incurred are the shared responsibility of the Plan and the Company.

3. Certified Financial Information

The Plan administrator has obtained a certification from Reliance Trust Company ("Reliance"), the custodian of the Plan. The fair value of investments at December 31, 2009 and 2008, totaling \$124,387,722 and \$99,592,456, respectively, were certified by Reliance as complete and accurate in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the ERISA. Investment income for the year ended December 31, 2009 was also certified by Reliance.

4. Investments

The following presents investments at December 31, 2009 and 2008, that represent 5% or more of the Plan's net assets:

	2009	2008
Stable Asset Fund	\$ 31,198,482	\$ 28,688,057
Columbia Core Bond Fund	9,519,373	8,143,116
Columbia Large Company Index Fund	10,164,474	8,265,150
American Growth Fund of America	11,537,250	8,460,382
Columbia Small Cap Value Fund	7,379,331	5,365,667
Columbia Disciplined Value Fund	10,536,493	9,133,316
MFS Total Return Fund	12,482,100	11,671,033
Columbia Acorn Select	6,370,924	*

* Did not meet 5% criteria at the respective financial statement date.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

5. Fair Value Measurements

Financial Accounting Standards Board ("FASB") ASC 820, "*Fair Value Measurements and Disclosures*," establishes the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active market for identical assets or liabilities (Level 1 measurements) and the lowest priority to the unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from and corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full-term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009:

Stable asset fund - Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

Mutual funds - Valued at the net asset value ("NAV") of shares held by the Plan at year end.

Participant loans - Valued at amortized cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

<i>December 31, 2009</i>	Level 1	Level 2	Level 3	Total
Assets:				
Mutual funds:				
Stock funds	\$ 68,430,575	\$ -	\$ -	\$ 68,430,575
Bond funds	9,519,373	-	-	9,519,373
Blend funds	15,239,292	-	-	15,239,292
Total mutual funds	93,189,240	-	-	93,189,240
Stable asset fund	-	-	31,198,482	31,198,482
Participant loans	-	-	2,253,814	2,253,814
Total	\$ 93,189,240	\$ -	\$ 33,452,296	\$ 126,641,536

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

<i>December 31, 2008</i>	Level 1	Level 2	Level 3	Total
Assets:				
Mutual funds	\$ 70,904,399	\$ -	\$ -	\$ 70,904,399
Stable asset fund	-	-	28,688,057	28,688,057
Participant loans	-	-	2,302,870	2,302,870
Total	\$ 70,904,399	\$ -	\$ 30,990,927	\$ 101,895,326

Reclassification of mutual funds - At December 31, 2008, the Plan's mutual funds were classified as a Level 2 investment based upon the information available to management. During the year ended December 31, 2009, additional information was available which resulted in the conclusion that the Plan's mutual funds are a Level 1 investment. The fair value hierarchy of the Plan's investment at December 31, 2008 has been reclassified to conform with the fiscal 2009 classifications.

Level 3 gains and losses - The following table sets forth a summary of changes in fair value of the Plan's Level 3 for the year ended December 31, 2009:

	Level 3 Assets	
	Stable Asset Fund	Participant Loans Receivable
Balance, beginning of year	\$ 28,688,057	\$ 2,302,870
Purchases, Sales, Issuances and Settlements (net)	2,510,425	(49,056)
Balance, end of year	\$ 31,198,482	\$ 2,253,814

6. Investment Contract with Insurance Company

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets of a collective investment fund attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for benefits presents the fair value of the investment contracts, as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

7. Deferred Contributions

Deferred contributions consist of participant contributions received by the Plan prior to year end December 31, 2009 which relates to the Plan year ended December 31, 2010.

8. Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it does have the right to do so at any time, subject to the provisions of ERISA. In the event that the Plan is terminated, participants will become eligible for immediate distribution of 100% of their accounts.

9. Related Party Transactions

The Plan invests in the Stable Asset Fund. Bank of America is the trustee as defined by the Plan and, therefore, these transactions represent party-in-interest transactions. Purchases and sales of this investment are open market transactions at fair market value. As disclosed in Note 6, the investment has been adjusted to contract value. Such transactions are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA and applicable exemptions promulgated thereunder. Fees paid by the Plan for investment management services related to this investment in a commingled fund totaled approximately \$77,000 during the year ended December 31, 2009.

Certain Plan investments are shares of mutual funds managed by Columbia Management Group, an indirect, wholly-owned subsidiary of Bank of America. Bank of America is the trustee as defined by the Plan and, therefore, these transactions represent party-in-interest transactions. Purchases and sales of these funds are open market transactions at fair market value. Such transactions are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA and applicable exemptions promulgated thereunder.

10. Tax Status

The Plan adopted a prototype plan which has received an opinion letter from the IRS dated May 31, 2005, indicating that the prototype plan document was in accordance with the applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has not filed for an individual determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

11. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect participants' account balances and the amounts reported in the statement of assets available for benefits.

AEROFLEX INCORPORATED

EMPLOYEES' 401(k) PLAN

Notes to Financial Statements

Year Ended December 31, 2009

12. Reconciliation of Financial Statements to Form 5500

The differences between the information reported in the financial statements and the information reported in the Form 5500 arise primarily from presenting investment contracts at fair value in the financial statements.

The following is a reconciliation of net assets available for benefits:

<i>December 31,</i>	2009	2008
Net Assets Available for Benefits	\$ 126,652,804	\$ 103,153,277
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts	129,382	(1,172,108)
Net Assets per Form 5500	<u>\$ 126,638,268</u>	<u>\$ 101,981,169</u>

The following is a reconciliation of net increase for the year ended December 31, 2009 to Form 5500:

Net Increase in Assets Available for Benefits	\$ 23,355,609
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts, current year	129,382
Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts, prior year	1,172,108
Net Increase per Form 5500	<u>\$ 24,657,099</u>

13. Subsequent Event

The Plan has evaluated subsequent events through August 20, 2010, the date the financial statements were available to be issued, for potential recognition or disclosure in the financial statements.

Supplemental Schedules

AEROFLEX INCORPORATED
EMPLOYEES' 401(k) PLAN

Schedule H, Line 4i; (EIN): 11-1974412; (PN): 002

Schedule of Assets (Held at End of Year)*December 31, 2009*

(a)	(b)	(c)	(d)	(e)
	Identity of issuer, borrower, lessor or similar party.	Description of Investment (including maturity date, rate of interest, collateral par or maturity value).	Cost**	Current Value
*	Bank of America	Stable Asset Fund		\$ 31,198,482
*	Columbia Acorn	Interest in Registered Investment Company		5,631,680
	Royce Value Plus - Service Fund	Interest in Registered Investment Company		1,466,789
	Neuberger & Berman Equity Partners Fund	Interest in Registered Investment Company		390,877
*	AIM Financial Services Fund	Interest in Registered Investment Company		23
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	Templeton Foreign Fund	Interest in Registered Investment Company		4,701,073
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	Dreyfus Mid Cap Index	Interest in Registered Investment Company		2,442,431
				<u>\$ 124,387,722</u>
	Participant Loans	Participant loans receivable, with interest rates ranging from 4.25% to 10.50%, maturing at various dates through October 2020.		<u>\$ 2,253,814</u>

* Indicates party-in-interest.

** Information not required when reporting investments directed by participants.

AEROFLEX INCORPORATED EMPLOYEES' 401(k) PLAN

Schedule H, Line 4a; (EIN): 11-1974412; (PN): 002

Schedule of Delinquent Participant Contributions

December 31, 2009

Participant Contributions Transferred Late to the Plan	Loan Repayment Included in Delinquent Contribution?	Total that Constitutes Non-exempt Prohibited Transactions			Total Fully Corrected under VFCP and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 7,050		\$ -	\$ -	\$ -	\$ 7,050