UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(X)QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED JANUARY 31, 1997

OR

( )TRANSACTION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____________ to ______________

Commission file number 1-4604

HEICO CORPORATION
(Exact name of registrant as specified in its charter)

FLORIDA	65-0341002
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer) Identification No.)
3000 TAFT STREET, HOLLYWOOD, FLORIDA	33021
(Address of principal executive offices)	(Zip Code)

(305) 987-6101
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

The number of shares outstanding of the issuer's common stock, $.01 par value, is 5,324,998 shares as of February 28, 1997.

HEICO CORPORATION

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PART I. FINANCIAL INFORMATION

HEICO CORPORATION AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS

ASSETS

	JANUARY 31, 1997 (Unaudited)	OCTOBER 31, 1996
Current assets:		
Cash and cash equivalents	$ 10,956,000	$ 11,025,000
Accounts receivable, net	7,524,000	7,879,000
Inventories	16,196,000	15,277,000
Prepaid expenses and other current assets	1,019,000	874,000
Deferred income taxes	2,403,000	2,058,000
Total current assets	38,098,000	37,113,000
Note receivable	10,000,000	10,000,000
Property, plant and equipment	20,323,000	19,599,000
Less accumulated depreciation	(13,610,000)	(13,754,000)
Property, plant and equipment, net	6,713,000	5,845,000
Intangible assets less accumulated amortization of $894,000 in 1997 and $805,000 in 1996	4,646,000	4,756,000
Unexpended bond proceeds	2,000,000	2,649,000
Other assets	2,721,000	1,473,000
Total assets	$ 64,178,000	$ 61,836,000

LIABILITIES AND SHAREHOLDERS' EQUITY

	JANUARY 31, 1997 (Unaudited)	OCTOBER 31, 1996
Current liabilities:		
Current maturities of long-term debt	$ 413,000	$ 494,000
Trade accounts payable	4,023,000	4,803,000
Accrued expenses and other current liabilities	5,653,000	5,903,000
Income taxes payable	1,200,000	665,000
Total current liabilities	11,289,000	11,865,000
Long-term debt	5,977,000	6,022,000
Deferred income taxes	1,109,000	1,137,000
Other non-current liabilities	2,186,000	1,324,000
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, par value $.01 per share; Authorized - 10,000,000 shares issuable in series; 50,000 designated as Series A Junior Participating Preferred Stock, none issued	--	--
Common stock, $.01 par value; Authorized - 20,000,000 shares; Issued - 5,321,703 shares in 1997 and 5,275,551 shares in 1996	53,000	53,000
Capital in excess of par value	31,326,000	30,881,000
Retained earnings	15,184,000	13,893,000
	46,563,000	44,827,000
Less: Note receivable from employee savings and investment plan	(2,946,000)	(3,339,000)
Total shareholders' equity	43,617,000	41,488,000
Total liabilities and shareholders' equity	$ 64,178,000	$ 61,836,000

SEE NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS.

HEICO CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS - UNAUDITED

	THREE MONTHS ENDED JANUARY 31,	
	1997	1996
Net sales	$ 14,267,000	$ 6,978,000
Operating costs and expenses:		
Cost of sales	9,526,000	4,656,000
Selling, general and administrative expenses	2,707,000	1,597,000
Total operating costs and expenses	12,233,000	6,253,000
Income from operations	2,034,000	725,000
Interest expense	(95,000)	(51,000)
Interest and other income	409,000	193,000
Income from continuing operations before income taxes	2,348,000	867,000
Income tax expense	754,000	289,000
Net income from continuing operations	1,594,000	578,000
Net income from discontinued operations	--	292,000
Net income	$ 1,594,000	$ 870,000
Net income per share:		
From continuing operations	$ .25	$ .10
From discontinued health care operations	--	.05
Net income per share	$ .25	$ .15
Weighted average number of common and common equivalent shares outstanding	6,275,658	5,588,013
Cash dividends per share	$ .050	$ .041

SEE NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS.

HEICO CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS - UNAUDITED

	THREE MONTHS ENDED JANUARY 31,	
	1997	1996
Cash flows from operating activities:		
Net income	$ 1,594,000	$ 870,000
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	387,000	638,000
(Income) loss from unconsolidated partnerships	--	(108,000)
Minority interest in consolidated partnerships	--	81,000
Deferred income taxes	(373,000)	131,000
Change in assets and liabilities:		
(Increase) in accounts receivable	263,000	(114,000)
(Increase) decrease in inventories	(919,000)	(189,000)
(Increase) in prepaid expenses and other current assets	(145,000)	(200,000)
(Decrease) in trade payables, accrued expenses and other current liabilities	(1,028,000)	(225,000)
Increase in income taxes payable	535,000	80,000
Increase in other non-current liabilities	76,000	58,000
Other	(22,000)	--
Net cash provided by operating activities	368,000	1,022,000
Cash flows from investing activities:		
Maturity (purchase) of short-term investments	--	2,939,000
Purchases of property, plant and equipment	(1,165,000)	(523,000)
Acquisitions:		
Contingent note payments	--	(425,000)
Other	--	--
Advances to unconsolidated partnerships	--	(59,000)
Distributions to minority interests	--	(117,000)
Payments for deferred organization costs	--	(178,000)
Payment received from employee savings and investment plan note receivable	393,000	353,000
Other	(335,000)	(17,000)
Net cash provided by (used in) investing activities	(1,107,000)	1,973,000)
Cash flows from financing activities:		
Proceeds from the exercise of stock options	425,000	222,000
Proceeds from the issuance of long-term debt	680,000	217,000
Payments on long-term debt and capital leases	(154,000)	(293,000)
Repurchases of common stock	--	--
Cash dividends paid	(282,000)	(219,000)
Other	1,000	5,000
Net cash (used in) financing activities	670,000	(68,000)
Net increase (decrease) in cash and cash equivalents	(69,000)	2,927,000
Cash and cash equivalents at beginning of year	11,025,000	4,664,000
Cash and cash equivalents at end of period	$ 10,956,000	$ 7,591,000

SEE NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS.

HEICO CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - UNAUDITED

January 31, 1997

1. The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes normally included in annual consolidated financial statements and should be read in conjunction with the financial statements and notes thereto included in the Company's latest Annual Report on Form 10-K for the year ended October 31, 1996. In the opinion of management, the unaudited consolidated condensed financial statements contain all adjustments (consisting of only normal recurring accruals) necessary for a fair presentation of the consolidated condensed balance sheets and consolidated condensed statements of operations and cash flow for such interim periods presented. The results of operations for the three months ended January 31, 1997 are not necessarily indicative of the results which may be expected for the entire fiscal year.

2. Accounts receivable are composed of the following:

	JANUARY 31, 1997	OCTOBER 31, 1996
Accounts receivable	$ 7,513,000	$ 7,882,000
Net costs and estimated earnings in excess of billings on uncompleted contracts	265,000	265,000
Less allowance for doubtful accounts	(254,000)	(268,000)
Accounts receivable, net	$7,524,00	$ 7,879,000

Inventories are comprised of the following:

	JANUARY 31, 1997	OCTOBER 31, 1996
Finished products	$ 3,764,000	$ 4,428,000
Work in process	5,605,000	5,845,000
Materials, parts, assemblies and supplies	6,827,000	5,004,000
Total inventories	$ 16,196,000 $	15,277,000

Revenue amounts set forth in the accompanying Consolidated Condensed Statements of Operations do not include any material amounts in excess of billings related to long-term contracts.

Inventories related to long-term contracts aggregated approximately $500,000 as of January 31, 1997 and $628,000 as of October 31, 1996.

3. Long-term debt consists of:

	JANUARY 31, 1997	OCTOBER 31, 1996
Industrial Development Revenue Bonds - Series 1996	$ 3,500,000	$ 3,500,000
Industrial Development Revenue Refunding Bonds - Series 1988	1,980,000	1,980,000
Term loan borrowing under revolving credit facility	238,000	317,000
Equipment loans	672,000	719,000
	6,390,000	6,516,000
Less current maturities	(413,000)	(494,000)
	$ 5,977,000	$ 6,022,000

The term loan borrowings and equipment loans bear interest as of January 31, 1997 at 8.5% and 8.75% respectively.

4. The fiscal 1996 net income from discontinued operations represents the Company's former subsidiary, MediTek Health Corporation, which was sold in the third quarter of fiscal 1996 at a gain of $5,264,000 (89 cents per share).

5. Net income per share is calculated on the basis of the weighted average number of common shares outstanding during each period plus common share equivalents arising from the assumed exercise of stock options, if dilutive, and has been adjusted for the effect of any stock dividends and stock splits.

6. Supplemental disclosures of cash flow information for the three months ended January 31, 1997 and 1996 are as follows:

Cash paid for interest was $95,000 and $67,000 in 1997 and 1996, respectively. Cash paid for income taxes was $592,000 and $304,000 in 1997 and 1996, respectively.

7. In October 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS No. 123). SFAS No. 123 established a fair value based method of accounting for stock options. Entities may elect to either adopt the measurement criteria of the statement for accounting purposes, thereby recognizing an amount in results of operations on a prospective basis, or disclose the pro forma effects of the new measurement criteria in Notes to Consolidated Financial Statements. The Company intends to adopt the pro forma disclosure features of SFAS No. 123, which are effective for fiscal year 1997.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
For the three months ended January 31, 1997 and 1996

RESULTS OF OPERATIONS

Fiscal 1997 first quarter net income of $1,594,000 ($.25 per share) increased 176% over fiscal 1996 first quarter net income from continuing operations of $578,000 ($.10 per share).

For the first three months of fiscal 1997, net sales totaled $14,267,000, representing a 104% increase over net sales from continuing operations of $6,978,000 in the first three months of fiscal 1996.

The improved fiscal 1997 earnings are primarily attributable to increased sales as discussed below.

Net sales of the Company's Flight Support operations totaled $8,786,000 in the first quarter of fiscal 1997 as compared to $6,978,000 in the same period of fiscal 1996. The $l,808,000, or 26%, increase from fiscal 1996 to fiscal 1997 is principally due to increased sales volumes of jet engine replacement parts to the Company's commercial airline industry customers.

Net sales of the Company's Ground Support operations totaled $5,481,000 for the first quarter of fiscal 1997, all of which represented sales of Trilectron Industries, Inc. (Trilectron), a business acquired in September 1996.

The Company's Flight Support operations had a backlog which totaled approximately $14 million as of January 31, 1997 and October 31, 1996. The current backlog decreased from $24 million as of January 31, 1996 principally due to expiration of certain customer contracts which have been replaced by orders pursuant to shorter term purchase orders.

The Company's Ground Support operations had a backlog totalling $14 million at January 31, 1997. This is a 27% increase over the October 31, 1996 backlog balance of $11 million and is principally due to receipt of a contract approximating $4 million covering deliveries expected to begin in fiscal 1997 and continue into 1998.

The Company's gross profit margins averaged 33.2% in the first quarter of fiscal 1997, which approximated the 33.3% average gross profit margins in the first quarter of fiscal 1996. This reflects an improvement in gross margins in the Flight Support operations, partially offset by inclusion of the newly-acquired Ground Support operations. Sales of ground support equipment generally carry lower profit margins than those of the Company's Flight Support operations. The improvement in margins in the Flight Support operations reflects volume increases in sales of higher margin products and manufacturing cost efficiencies.

Selling, general and administrative (SG&A) expenses in the first quarter of fiscal 1997 increased $1,110,000 over amounts in the first quarter of fiscal 1996. The increase from fiscal 1996 is due principally to increased selling expenses by the Flight Support operations and the SG&A expenses of Trilectron. As a percentage of sales, however, SG&A expenses improved to 19.0% of consolidated net sales in the first quarter of fiscal 1997, down from 22.9% in the first quarter of fiscal 1996.

Income from operations, which totaled $2,034,000 for the first quarter of fiscal 1997, increased $1,309,000, or 181%, over the same period of last year. This increase reflects the increase in sales of Flight Support operations and sales of Ground Support operations as discussed above.

Interest and other income in the first quarter of fiscal 1997 increased $216,000 over the first quarter of fiscal 1996, principally due to interest income on the convertible note received from the sale of MediTek in July 1996.

The Company's effective tax rate totaled 32.1% for the first quarter of 1997 and 33.3% in the first quarter of 1996.

LIQUIDITY AND CAPITAL RESOURCES

During the first three months of fiscal 1997, net cash provided by operating activities totaled $368,000 reflecting higher earnings, net of planned increases in inventories to meet customer delivery requirements and scheduled payments of trade accounts payable and other current liabilities.

The Company's principal investing activities during the first quarter of fiscal 1997 were purchases of property, plant and equipment of $1.1 million.

The Company's principal financing activities during the first quarter of fiscal 1997 were $.7 million in proceeds of long-term debt primarily representing reimbursements for qualified expenditures from Industrial Revenue Bond proceeds and the receipt of funds from the exercise of Company stock options of $.4 million.

During the first quarter of 1997, Trilectron received approval from Manatee County, Florida for an increase from $3 million to $4 million in the amount of industrial development revenue bonds to be issued to construct and equip a larger facility in Palmetto, Florida. The bonds are expected to be issued in the second quarter of fiscal 1997.

There have been no other material changes in the liquidity or the capital resources of the Company since the end of fiscal 1996.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material developments in previously reported litigation involving the Company and its subsidiaries.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibit 11 - Computation of earnings per share.

(b) There were no reports on Form 8-K filed during the three months ended January 31, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HEICO CORPORATION

(Registrant)

MARCH 14, 1997	BY /S/THOMAS S. IRWIN
Date	Thomas S. Irwin, Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)

EXHIBIT 11

HEICO CORPORATION AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE

	1997		1996	
	PRIMARY	Fully DILUTED	PRIMARY	Fully DILUTED
Three months ended January 31:				
Weighted average number of common shares outstanding	5,286,713	5,286,713	5,086,140	5,086,140
Common Stock equivalents arising from dilutive stock options (1)	988,945	1,037,971	501,873	510,745
	6,275,658	6,324,684	5,588,013	5,596,885
Net income per share (1)				
From continuing operations	$ .25	$ .25	$ .10	$ .10
From discontinued operations	--	--	.05	.05
Net income per share	$ .25	$ .25	$ .15	$ .15

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(1) Computed under the "treasury stock" method using the average market price for the primary computation and using the higher of average or ending market prices for the fully diluted computation.

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3-MOS
OCT-31-1997
JAN-31-1997
10,956,000
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7,778,000
(254,000)
16,196,000
38,098,000
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