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, 2006 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)

(954) 987-4000
(Registrant's telephone number, including area code)

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 [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [X] Non-accelerated filer [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

The number of shares outstanding of each of the registrant's classes of common stock as of March 8, 2006:

Common Stock, $.01 par value	10,195,026 shares
Class A Common Stock, $.01 par value	14,785,270 shares

HEICO CORPORATION

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PART I. ITEM 1. FINANCIAL INFORMATION
HEICO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS - UNAUDITED

	JANUARY 31, 2006	OCTOBER 31, 2005
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,226,000	$ 5,330,000
Accounts receivable, net	51,045,000	47,668,000
Inventories, net	78,008,000	62,758,000
Prepaid expenses and other current assets	4,569,000	3,159,000
Deferred income taxes	7,323,000	7,218,000
Total current assets	150,171,000	126,133,000
Property, plant and equipment, net	46,010,000	46,663,000
Goodwill	263,555,000	248,229,000
Other assets	21,755,000	14,599,000
Total assets	$ 481,491,000	$ 435,624,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt and current maturities of long-term debt	$ 3,064,000	$ 63,000
Trade accounts payable	13,731,000	11,129,000
Accrued expenses and other current liabilities	27,247,000	32,473,000
Income taxes payable	6,864,000	6,285,000
Total current liabilities	50,906,000	49,950,000
Long-term debt, net of current maturities	61,040,000	34,061,000
Deferred income taxes	23,991,000	22,431,000
Other non-current liabilities	6,640,000	6,644,000
Total liabilities	142,577,000	113,086,000
Minority interests in consolidated subsidiaries	56,269,000	49,035,000
Commitments and contingencies (Note 11)		
Shareholders' equity:		
Preferred Stock, $.01 par value per share; 10,000,000 shares authorized; 300,000 shares designated as Series B Junior Participating Preferred Stock and 300,000 shares designated as Series C Junior Participating Preferred Stock; none issued	--	--
Common Stock, $.01 par value per share; 30,000,000 shares authorized; 10,166,603 and 10,057,690 shares issued and outstanding, respectively	102,000	101,000
Class A Common Stock, $.01 par value per share; 30,000,000 shares authorized; 14,628,214 and 14,517,669 shares issued and outstanding, respectively	146,000	145,000
Capital in excess of par value	195,890,000	192,523,000
Accumulated other comprehensive loss	(48,000)	(65,000)
Retained earnings	86,555,000	80,799,000
Total shareholders' equity	282,645,000	273,503,000
Total liabilities and shareholders' equity	$ 481,491,000	$ 435,624,000

The accompanying notes are an integral part of these condensed consolidated financial statements.

HEICO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - UNAUDITED

	THREE MONTHS ENDED JANUARY 31,	
	2006	2005
Net sales	$ 88,101,000	$ 56,981,000
Operating costs and expenses:		
Cost of sales	56,049,000	36,701,000
Selling, general and administrative expenses	16,766,000	11,619,000
Total operating costs and expenses	72,815,000	48,320,000
Operating income	15,286,000	8,661,000
Interest expense	(808,000)	(233,000)
Interest and other (expense) income	(53,000)	36,000
Income before income taxes and minority interests	14,425,000	8,464,000
Income tax expense	4,916,000	2,923,000
Income before minority interests	9,509,000	5,541,000
Minority interests' share of income	2,760,000	1,113,000
Net income	$ 6,749,000	$ 4,428,000
Net income per share:		
Basic	$ .27	$ .18
Diluted	$ .26	$ .17
Weighted average number of common shares outstanding:		
Basic	24,673,957	24,328,337
Diluted	26,231,848	26,213,577
Cash dividends per share	$ .040	$ .025

The accompanying notes are an integral part of these condensed consolidated financial statements.

HEICO CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED

	THREE MONTHS ENDED JANUARY 31,	
	2006	2005
Operating Activities:		
Net income	$ 6,749,000	$ 4,428,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,149,000	1,724,000
Deferred income tax provision	1,061,000	1,102,000
Minority interests' share of income	2,760,000	1,113,000
Tax benefit from stock option exercises	2,365,000	2,538,000
Excess tax benefit from stock option exercises	(1,130,000)	--
Stock option compensation expense	428,000	--
Changes in assets and liabilities, net of acquisitions:		
Decrease in accounts receivable	1,444,000	2,893,000
Increase in inventories	(4,157,000)	(2,806,000)
Increase in prepaid expenses and other current assets	(440,000)	(491,000)
Decrease in trade accounts payables, accrued expenses and other current liabilities	(5,751,000)	(2,836,000)
Increase (decrease) in income taxes payable	579,000	(3,771,000)
Other	291,000	63,000
Net cash provided by operating activities	6,348,000	3,957,000
Investing Activities:		
Acquisitions and related costs, net of cash acquired	(30,062,000)	(14,679,000)
Capital expenditures	(1,207,000)	(944,000)
Proceeds from sale of building held for sale	--	3,520,000
Other	360,000	(235,000)
Net cash used in investing activities	(30,909,000)	(12,338,000)
Financing Activities:		
Borrowings on revolving credit facility	28,000,000	19,000,000
Payments on revolving credit facility	(1,000,000)	(6,000,000)
Borrowings on short-term line of credit	1,000,000	--
Cash dividends paid	(991,000)	(610,000)
Proceeds from stock option exercises	576,000	488,000
Excess tax benefit from stock option exercises	1,130,000	--
Other	(263,000)	(194,000)
Net cash provided by financing activities	28,452,000	12,684,000
Effect of exchange rate changes on cash	5,000	--
Net increase in cash and cash equivalents	3,896,000	4,303,000
Cash and cash equivalents at beginning of year	5,330,000	214,000
Cash and cash equivalents at end of period	$ 9,226,000	$ 4,517,000

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of HEICO Corporation and its subsidiaries (the "Company") have been prepared in conformity with accounting principles generally accepted in the United States of America for interim financial information and in accordance with the instructions to Form 10-Q. Therefore, the condensed consolidated financial statements do not include all information and footnotes normally included in annual consolidated financial statements and should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended October 31, 2005. The October 31, 2005 Condensed Consolidated Balance Sheet has been derived from the Company's audited consolidated financial statements. In the opinion of management, the unaudited condensed consolidated financial statements contain all adjustments (consisting of only normal recurring accruals) necessary for a fair presentation of the condensed consolidated balance sheets, statements of operations and statements of cash flows for such interim periods presented. The results of operations for the three months ended January 31, 2006 are not necessarily indicative of the results which may be expected for the entire fiscal year.

STOCK BASED COMPENSATION

Effective November 1, 2005, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 123(R), "Share-Based Payment", as interpreted by the Securities and Exchange Commission in Staff Accounting Bulletin No. 107 and began recording compensation expense associated with stock options. SFAS No. 123(R) requires companies to recognize in the statement of operations the cost of employee services received in exchange for awards of equity instruments based on the grant date fair value of those awards (with limited exceptions). Prior to the adoption of SFAS No. 123(R), the Company accounted for stock-based employee compensation using the intrinsic value method prescribed by Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees". Accordingly, compensation expense had only been recorded in the consolidated financial statements for any stock options granted below fair market value of the underlying stock as of the date of grant.

The Company adopted the modified prospective transition method provided for under SFAS 123(R) and accordingly, prior period results have not been retroactively adjusted. The modified prospective transition method requires that stock-based compensation expense be recorded for (i) all new stock options granted on or after November 1, 2005 based on the grant date fair value determined under the provisions of SFAS 123(R) and (ii) all unvested stock options granted prior to November 1, 2005 based on the grant date fair value as determined under the provisions of SFAS No. 123.

Beginning in the first quarter of fiscal 2006, the Company has presented the cash flows resulting from tax deductions in excess of the cumulative compensation cost recognized for stock options exercised ("excess tax benefit") as a financing activity in the Condensed Consolidated Statements of Cash Flows as prescribed by SFAS No. 123(R). Prior to the adoption of SFAS No. 123(R), the Company presented all tax benefits resulting from stock option exercises as an operating activity in the Condensed Consolidated Statements of Cash Flows. For the three months ended January 31, 2006, the Company reclassified $1,130,000 of excess tax benefit from stock option exercises from operating activities to financing activities in its Condensed Consolidated Statements of Cash Flow.

As a result of the adoption of SFAS No. 123(R), the Company's net income for the three months ended January 31, 2006 includes $428,000 of compensation expense and $126,000 of income tax benefit related to the Company's stock options. Substantially all of the stock option compensation expense was recorded as a component of selling, general and administrative expenses in the Company's Condensed Consolidated Statement of Operations.

The following table illustrates the pro forma effects on net income and net income per share as if the Company had applied the fair value recognition provisions of SFAS No. 123 to stock-based compensation during the three month period ended January 31, 2005:

	THREE MONTHS ENDED JANUARY 31, 2005
Net income, as reported	$ 4,428,000
Deduct: Stock-based employee compensation expense determined under a fair-value method, net of tax	(324,000)
Pro forma net income	$ 4,104,000
Net income per share:	
Basic - as reported	$ .18
Basic - pro forma	$ .17
Diluted - as reported	$ .17
Diluted - pro forma	$ .16

Further information regarding stock options can be found in Note 7, Stock Options.

OTHER NEW ACCOUNTING PRONOUNCEMENTS

In November 2004, the Financial Accounting Standards Board ("FASB") issued SFAS No. 151, "Inventory Costs, an amendment of ARB No. 43, Chapter 4". SFAS No. 151 requires the allocation of fixed production overhead costs be based on the normal capacity of the production facilities and unallocated overhead costs recognized as an expense in the period incurred. The Statement also clarifies that abnormal inventory costs such as costs of idle facilities, excess freight and handling costs, and wasted materials (spoilage) are required to be recognized as current period charges. The provisions of SFAS No. 151 are effective for fiscal years beginning after June 15, 2005. The adoption of SFAS No. 151 did not have a material effect on the Company's results of operations, financial position, or cash flows.

In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections, a replacement of APB Opinion No. 20 and FASB Statement No. 3." SFAS No. 154 changes the requirements for the accounting and reporting of a change in accounting principle. The Statement eliminates the requirement in APB Opinion No. 20 to include the cumulative effect of changes in accounting principle in the income statement in the period of change, and instead requires that changes in accounting principle be retrospectively applied unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. The Statement applies to all voluntary changes in accounting principle. SFAS No. 154 is effective for changes made in fiscal years beginning after December 15, 2005. The Company does not expect the adoption of SFAS No. 154 to have a material effect on its results of operations, financial position, or cash flows.

2. ACQUISITIONS

In November 2005, the Company, through its HEICO Aerospace Holdings Corp. subsidiary, acquired a 51% interest in the assets and business of Seal Dynamics LLC ("SDI"). The remaining 49% interest is principally held by a member of SDI's management group. As part of the agreement to acquire a 51% interest in SDI, the Company has the right to purchase the remaining 49% interest over a seven-year period beginning approximately after the second anniversary of the acquisition, or sooner under certain conditions, and the minority holder has the right to cause the Company to purchase the same equity interest over the same period. SDI is a distributor and designer of FAA-approved hydraulic, pneumatic, mechanical and electro-mechanical components for the commercial, regional and general aviation markets.

In November 2005, the Company, through its HEICO Electronic Technologies Corp. subsidiary, acquired all of the stock of Engineering Design Team, Inc. ("EDT") and substantially all of the assets of an EDT affiliate. Subject to meeting certain earnings objectives during the first four years following the acquisition, the Company may be obligated to pay additional consideration of up to $53.0 million in aggregate. EDT specializes in the design, manufacture and sale of advanced high-technology, high-speed interface products that link devices such as telemetry receivers, digital cameras, high resolution scanners, simulation systems and test systems to almost any computer. EDT's products are utilized in homeland security, defense, medical, research, astronomical and other applications across numerous industries.

The acquisitions of SDI and EDT were accounted for using the purchase method of accounting. The purchase price of each acquisition was principally paid in cash using proceeds from the Company's revolving credit facility and was not significant to the Company's consolidated financial statements individually. The allocation of the purchase price of each acquisition to the tangible and identifiable intangible assets acquired and liabilities assumed in these condensed consolidated financial statements is preliminary until the Company obtains final information regarding their fair values. The results of operations of SDI and EDT were included in the Company's results of operations effective as of the beginning of fiscal 2006. The Company's unaudited pro forma consolidated operating results for the three months ended January 31, 2005 assuming the acquisitions of SDI and EDT had been consummated as of the beginning of fiscal 2005 would have been net sales of $70,887,000, net income of $5,794,000, basic net income per share of $.24 and diluted net income per share of $.22. The pro forma financial information is presented for comparative purposes only and is not necessarily indicative of the results of operations that actually would have been achieved if the acquisitions had taken place as of the beginning of fiscal 2005. The unaudited pro forma financial information includes adjustments to historical amounts such as additional amortization expense related to acquired intangible assets, increased interest expense associated with borrowings to finance the acquisitions, increased performance awards under the terms of the acquisitions and the incremental minority interest in the net income of SDI.

Cash investing activities related to acquisitions (principally SDI and EDT), including contingent purchase price payments to previous owners of acquired businesses, for the three months ended January 31, 2006 is as follows:

	THREE MONTHS ENDED JANUARY 31, 2006
Fair values of assets acquired and liabilities assumed:	
Liabilities assumed	$ 5,516,000
Minority interests in consolidated subsidiaries	4,704,000
Less:	
Goodwill	15,326,000
Inventories, net	11,089,000
Identifiable intangible assets	7,280,000
Accounts receivable, net	4,814,000
Other assets	1,773,000
Acquisitions and related costs, net of cash acquired	$ (30,062,000)

3. SELECTED FINANCIAL STATEMENT INFORMATION

ACCOUNTS RECEIVABLE

	JANUARY 31, 2006	OCTOBER 31, 2005
Accounts receivable	$ 53,570,000	$ 49,816,000
Less: Allowance for doubtful accounts	(2,525,000)	(2,148,000)
Accounts receivable, net	$ 51,045,000	$ 47,668,000

COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED PERCENTAGE-OF-COMPLETION CONTRACTS

	JANUARY 31, 2006	OCTOBER 31, 2005
Costs incurred on uncompleted contracts	$ 13,651,000	$ 18,344,000
Estimated earnings	7,954,000	11,252,000
	21,605,000	29,596,000
Less: Billings to date	(15,686,000)	(21,747,000)
	$ 5,919,000	$ 7,849,000
Included in accompanying condensed consolidated balance sheets under the following captions:		
Accounts receivable, net (costs and estimated earnings in excess of billings)	$ 5,943,000	$ 7,889,000
Accrued expenses and other current liabilities (billings in excess of costs and estimated earnings)	(24,000)	(40,000)
	$ 5,919,000	$ 7,849,000

Changes in estimates did not have a material effect on net income or diluted net income per share in the three months ended January 31, 2006 and 2005.

INVENTORIES

	JANUARY 31, 2006	OCTOBER 31, 2005
Finished products	$ 37,599,000	$ 26,136,000
Work in process	12,791,000	12,634,000
Materials, parts, assemblies and supplies	27,618,000	23,988,000
Inventories, net	$ 78,008,000	$ 62,758,000

Inventories related to long-term contracts were not significant as of January 31, 2006 and October 31, 2005.

PROPERTY, PLANT AND EQUIPMENT

	JANUARY 31, 2006	OCTOBER 31, 2005
Land	$ 3,155,000	$ 3,155,000
Buildings and improvements	25,423,000	25,344,000
Machinery, equipment and tooling	53,393,000	53,460,000
Construction in progress	3,936,000	3,128,000
	85,907,000	85,087,000
Less: Accumulated depreciation and amortization	(39,897,000)	(38,424,000)
Property, plant and equipment, net	$ 46,010,000	$ 46,663,000

4. GOODWILL AND OTHER INTANGIBLE ASSETS

The Company has two operating segments: the Flight Support Group ("FSG") and the Electronic Technologies Group ("ETG"). Changes in the carrying amount of goodwill by operating segment for the three months ended January 31, 2006 are as follows:

	SEGMENT		CONSOLIDATED
	FSG	ETG	TOTALS
Balances as of October 31, 2005	$ 122,041,000	$ 126,188,000	$ 248,229,000
Goodwill acquired	12,117,000	3,185,000	15,302,000
Adjustments to goodwill	30,000	(6,000)	24,000
Balances as of January 31, 2006	$ 134,188,000	$ 129,367,000	$ 263,555,000

The goodwill acquired is a result of the acquisitions described in Note 2, Acquisitions. Adjustments to goodwill consist primarily of contingent purchase price payments to previous owners of acquired businesses and adjustments related to the preliminary allocation of the purchase price of recent acquisitions to the assets acquired and liabilities assumed.

Identifiable intangible assets, which are recorded within other assets in the Company's Condensed Consolidated Balance Sheets, consist of:

	AS OF JANUARY 31, 2006			AS OF OCTOBER 31, 2005		
	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	NET CARRYING AMOUNT	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	NET CARRYING AMOUNT
Amortizing Assets						
Customer relationships	$ 3,244,000	$ (116,000)	$ 3,128,000	$ -	$ -	$ -
Intellectual property	1,992,000	(125,000)	1,867,000	-	-	-
Licenses	1,000,000	(270,000)	730,000	1,000,000	(252,000)	748,000
Non-compete agreements	860,000	(174,000)	686,000	660,000	(129,000)	531,000
Patents	477,000	(72,000)	405,000	477,000	(60,000)	417,000
	7,573,000	(757,000)	6,816,000	2,137,000	(441,000)	1,696,000
Non-Amortizing Assets						
Trade names	5,494,000	-	5,494,000	3,650,000	-	3,650,000
	$ 13,067,000	$ (757,000)	$ 12,310,000	$ 5,787,000	$ (441,000)	$ 5,346,000

The increase in the gross carrying amount of customer relationships, intellectual property, non-compete agreements and trade names as of January 31, 2006 compared to October 31, 2005 principally relates to such intangible assets recognized in connection with the acquisitions of EDT and SDI (see Note 2, Acquisitions). The weighted average amortization period of the customer relationships, intellectual property and non-compete agreements acquired during the three months ended January 31, 2006 is approximately seven years, four years, and seven years, respectively.

Amortization expense of other intangible assets for the three months ended January 31, 2006 was $316,000. Amortization expense of other intangible assets for the fiscal year ending October 31, 2006 is estimated to be $1,248,000. Amortization expense for each of the next five fiscal years is estimated to be $1,185,000 in fiscal 2007, $1,169,000 in fiscal 2008, $1,154,000 in fiscal 2009, $656,000 in fiscal 2010 and $656,000 in fiscal 2011.

5. SHORT-TERM AND LONG-TERM DEBT

One of the Company's subsidiaries has a $6.0 million short-term line of credit with a bank, which expires in June 2006. The line of credit may be used for inventory purchases and other working capital needs and is secured by all the assets of the subsidiary. Borrowings under the line of credit bear interest at a rate mutually agreed upon by the subsidiary and the bank. As of January 31, 2006, $3.0 million was outstanding under the line of credit at a weighted average of 5.1%.

Long-term debt consists of:

	JANUARY 31, 2006	OCTOBER 31, 2005
Borrowings under revolving credit facility	$ 59,000,000	$ 32,000,000
Industrial Development Revenue Refunding Bonds - Series 1988	1,980,000	1,980,000
Capital leases and equipment loans	124,000	144,000
	61,104,000	34,124,000
Less: Current maturities of long-term debt	(64,000)	(63,000)
	$ 61,040,000	$ 34,061,000

As of January 31, 2006 and October 31, 2005, the Company had a total of $59 million and $32 million, respectively, borrowed under its revolving credit facility at weighted average interest rates of 5.2% and 4.7%, respectively. The revolving credit facility contains both financial and non-financial covenants. As of January 31, 2006, the Company believes it is in compliance with all such covenants.

The interest rates on the Series 1988 industrial development revenue bonds were 3.1% and 2.8% as of January 31, 2006 and October 31, 2005, respectively.

6. SHAREHOLDERS' EQUITY

Changes in consolidated shareholders' equity for the three months ended January 31, 2006

	COMMON STOCK	CLASS A COMMON STOCK	CAPITAL IN EXCESS OF PAR VALUE	ACCUMULATED OTHER COMPREHENSIVE LOSS	RETAINED EARNINGS
Balances as of October 31, 2005	$ 101,000	$ 145,000	$ 192,523,000	$ (65,000)	$ 80,799,000
Net income	--	--	--	--	6,749,000
Foreign currency translation adjustments	--	--	--	17,000	--
Cash dividends ($.04 per share)	--	--	--	--	(991,000)
Tax benefit from stock option exercises	--	--	2,365,000	--	--
Proceeds from stock option exercises	1,000	1,000	574,000	--	--
Stock option compensation expense	--	--	428,000	--	--
Other	--	--	--	--	(2,000)
Balances as of January 31, 2006	$ 102,000	$ 146,000	$ 195,890,000	$ (48,000)	$ 86,555,000

7. STOCK OPTIONS

Information concerning stock option activity for the three months ended January 31, 2006 is as follows:

	SHARES AVAILABLE FOR GRANT	SHARES UNDER OPTION	
		SHARES	WEIGHTED-AVERAGE EXERCISE PRICE
Outstanding as of October 31, 2005	156,303	3,588,680	$ 9.50
Granted	--	--	--
Cancelled	660	(2,647)	$ 13.01
Exercised	--	(248,167)	$ 4.83
Outstanding as of January 31, 2006	156,963	3,337,866	$ 9.84

Information concerning stock options outstanding and stock options exercisable by class of common stock as of January 31, 2006 is as follows:

COMMON STOCK

	SHARES	WEIGHTED-AVERAGE EXERCISE PRICE	WEIGHTED-AVERAGE REMAINING CONTRACTUAL LIFE (YEARS)	AGGREGATE INTRINSIC VALUE
Outstanding as of January 31, 2006	1,418,298	$ 9.70	4.2	$ 22,036,000
Exercisable as of January 31, 2006	1,154,297	$ 9.65	3.6	$ 17,991,000

CLASS A COMMON STOCK

	SHARES	WEIGHTED-AVERAGE EXERCISE PRICE	WEIGHTED-AVERAGE REMAINING CONTRACTUAL LIFE (YEARS)	AGGREGATE INTRINSIC VALUE
Outstanding as of January 31, 2006	1,919,568	$ 9.94	4.1	$ 20,007,000
Exercisable as of January 31, 2006	1,678,521	$ 10.10	3.8	$ 17,230,000

The aggregate intrinsic values in the tables above are calculated based on the difference between the closing price per share of the underlying common stock as reported on the New York Stock Exchange on January 31, 2006 less the option exercise price (if a positive spread) multiplied by the number of stock options.

Information concerning stock options exercised during the three months ended January 31, 2006 is as follows:

	THREE MONTHS ENDED JANUARY 31, 2006
Cash proceeds from stock option exercises	$ 576,000
Tax benefit realized from stock option exercises	1,379,000
Intrinsic value of stock option exercises	3,891,000

Effective as of November 1, 2005, the Company generally recognizes compensation expense ratably over the vesting period. As of January 31, 2006, there was $1.6 million of pretax unrecognized compensation expense related to nonvested stock options, which is expected to be recognized over a weighted average period of approximately 1.4 years.

8. RESEARCH AND DEVELOPMENT EXPENSES

Cost of sales for the three months ended January 31, 2006 and 2005 includes approximately $3.8 million and $2.4 million, respectively, of new product research and development expenses. The expenses are net of reimbursements pursuant to research and development cooperation and joint venture agreements, which were not significant.

9. NET INCOME PER SHARE

The following table sets forth the computation of basic and diluted net income per share for the three months ended January 31:

	THREE MONTHS ENDED JANUARY 31, 2006	2005
Numerator:		
Net income	$ 6,749,000	$ 4,428,000
Denominator:		
Weighted average common shares outstanding-basic	24,673,957	24,328,337
Effect of dilutive stock options	1,557,891	1,885,240
Weighted average common shares outstanding-diluted	26,231,848	26,213,577
Net income per share- basic	$ 0.27	$ 0.18
Net income per share- diluted	$ 0.26	$ 0.17
Anti-dilutive stock options excluded	48,161	220,173

10. OPERATING SEGMENTS

Information on the Company's two operating segments, the Flight Support Group ("FSG"), consisting of HEICO Aerospace Holdings Corp. and its subsidiaries, and the Electronic Technologies Group ("ETG"), consisting of HEICO Electronic Technologies Corp. and its subsidiaries, for the three months ended January 31, 2006 and 2005, respectively, is as follows:

	SEGMENT		OTHER, PRIMARILY CORPORATE AND	CONSOLIDATED
	FSG	ETG	INTERSEGMENT	TOTALS
For the three months ended January 31, 2006:				
Net sales	$ 61,689,000	$ 26,471,000	$ (59,000)	$ 88,101,000
Depreciation and amortization	1,194,000	869,000	86,000	2,149,000
Operating income	12,308,000	5,710,000	(2,732,000)	15,286,000
Capital expenditures	815,000	386,000	6,000	1,207,000
For the three months ended January 31, 2005:				
Net sales	$ 42,263,000	$ 14,774,000	$ (56,000)	$ 56,981,000
Depreciation and amortization	1,136,000	484,000	104,000	1,724,000
Operating income	7,598,000	2,462,000	(1,399,000)	8,661,000
Capital expenditures	734,000	208,000	2,000	944,000

The total assets held by each operating segment as of January 31, 2006 and October 31, 2005 is as follows:

	SEGMENT FSG	SEGMENT ETG	OTHER, PRIMARILY CORPORATE	CONSOLIDATED TOTALS
Total assets as of January 31, 2006	$ 263,412,000	$ 200,241,000	$ 17,838,000	$ 481,491,000
Total assets as of October 31, 2005	230,229,000	188,851,000	16,544,000	435,624,000

11. COMMITMENTS AND CONTINGENCIES

GUARANTEES

The Company has arranged for standby letters of credit aggregating $2.2 million to meet the security requirement of its insurance company for potential workers' compensation claims and one of the Company's subsidiaries has guaranteed its performance related to a customer contract through two letters of credit aggregating $1.2 million, both expiring April 2006. These letters of credit are supported by the Company's revolving credit facility. In addition, the Company's industrial development revenue bonds are secured by a $2.0 million letter of credit expiring April 2008 and a mortgage on the related properties pledged as collateral.

Changes in the Company's product warranty liability for the three months ended January 31, 2006 and 2005, respectively, are as follows:

	2006	2005
Balances as of beginning of fiscal year	$ 395,000	$ 129,000
Acquired warranty liabilities	15,000	--
Accruals for warranties	112,000	130,000
Warranty claims settled	(125,000)	(67,000)
Balances as of January 31	$ 397,000	$ 192,000

As part of the agreement to acquire an 80% interest in a subsidiary by the ETG in fiscal 2004, the Company has the right to purchase the minority interests beginning at approximately the tenth anniversary of the acquisition, or sooner under certain conditions, and the minority holders have the right to cause the Company to purchase their interests commencing on approximately the fifth anniversary of the acquisition, or sooner under certain conditions.

As part of the agreement to purchase a subsidiary by the ETG in fiscal 2005, the Company may be obligated to pay additional purchase consideration of up to $3.8 million in aggregate should the subsidiary meet certain earnings objectives during the first four years following the acquisition. The Company has $2.2 million of such additional purchase consideration accrued as of January 31, 2006 based on the subsidiary's earnings relative to target for the first year, which it expects to pay in fiscal 2006.

As part of the agreement to purchase a subsidiary by the ETG in fiscal 2005, the Company may be obligated to pay additional purchase consideration currently estimated to total up to $2.3 million should the subsidiary meet certain product line-related earnings objectives during the fourth and fifth years following the acquisition. The additional purchase consideration will be accrued when the earnings objectives are met.

As part of the agreement to acquire an 85% interest in a subsidiary by the ETG in fiscal 2005, the minority holders have the right to cause the Company to purchase their interests over a four-year period starting around the second anniversary of the acquisition, or sooner under certain conditions.

As part of the agreement to acquire a 51% interest in a subsidiary by the FSG in fiscal 2006, the Company has the right to purchase 28% of the equity interests of the subsidiary over a four-year period beginning approximately after the second anniversary of the acquisition, or sooner under certain conditions, and the minority holder has the right to cause the Company to purchase the same equity interest over the same period. Further, the Company has the right to purchase the remaining 21% of the equity interests of the subsidiary over a three-year period beginning approximately after the fourth anniversary of the acquisition, or sooner under certain conditions, and the minority holder has the right to cause the Company to purchase the same equity interest over the same period.

As part of the agreement to acquire a subsidiary by the ETG in fiscal 2006, the Company may be obligated to pay additional consideration of up to $53.0 million in aggregate during the first four years following the acquisition. The maximum amount of additional consideration that may become payable by year is $6.8 million in fiscal 2006, $9.2 million in fiscal 2007, $17.8 million in fiscal 2008 and $19.2 million in fiscal 2009. The additional purchase consideration will be accrued when the earnings objectives are met.

The Company has also accrued additional purchase consideration aggregating $.7 million as of January 31, 2006 in accordance with the agreements related to certain acquisitions based principally on the actual value of the net assets acquired. The Company expects to pay this amount in fiscal 2006.

As part of an agreement for exclusive license rights to intellectual property, one of the subsidiaries of the ETG has guaranteed minimum royalty payments aggregating $.4 million through fiscal 2007.

LITIGATION

The Company is involved in various legal actions arising in the normal course of business. Based upon the Company's and its legal counsel's evaluations of any claims or assessments, management is of the opinion that the outcome of these matters will not have a material adverse effect on the Company's results of operations or financial position.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

This discussion of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and notes thereto included herein. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates if different assumptions were used or different events ultimately transpire.

The Company's critical accounting policies, some of which require management to make judgments about matters that are inherently uncertain, are described in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," under the heading "Critical Accounting Policies" in the Company's Annual Report on Form 10-K for the year ended October 31, 2005.

The Company has two operating segments: the Flight Support Group ("FSG"), consisting of HEICO Aerospace Holdings Corp. ("HEICO Aerospace") and its subsidiaries, and the Electronic Technologies Group ("ETG"), consisting of HEICO Electronic Technologies Corp. and its subsidiaries.

The Company's results of operations during the three months ended January 31, 2006 have been affected by several recent acquisitions.

In November 2005, the Company, through its HEICO Aerospace Holdings Corp. subsidiary, acquired a 51% interest in Seal Dynamics LLC ("SDI"). The remaining 49% interest is principally held by a member of SDI's management group. In November 2005, the Company, through its HEICO Electronic Technologies Corp. subsidiary, acquired Engineering Design Team, Inc. ("EDT") and an EDT affiliate. The purchase price of each acquisition was principally paid in cash using proceeds from the Company's revolving credit facility and was not significant to the Company's consolidated financial statements individually. The operating results of SDI and EDT were included in the Company's results of operations effective as of the beginning of fiscal 2006. For further information regarding these acquisitions, see Note 2, Acquisitions, of the Notes to Condensed Consolidated Financial Statements.

During fiscal 2005, the Company, through its HEICO Electronic Technologies Corp. subsidiary, acquired Connectronics, Corp. and its affiliate, Wiremax, Ltd. (collectively "Connectronics") in December 2004, Lumina Power, Inc. ("Lumina") in February 2005, and an 85% interest in HVT Group, Inc. ("HVT") in September 2005. The remaining 15% interest is held by certain members of HVT's management group. The operating results of each acquired company were included in the Company's results of operations from their effective acquisition date.

As further explained within Comparison of First Quarter of Fiscal 2006 to First Quarter of Fiscal 2005, the first quarter of fiscal 2006 reflects the full impact of each of the above mentioned acquisitions whereas the first quarter of fiscal 2005 includes just the operating results of Connectronics effective as of the December 2005 acquisition date.

RESULTS OF OPERATIONS

The following table sets forth the results of the Company's operations, net sales and operating income by segment, and the percentage of net sales represented by the respective items in the Company's Condensed Consolidated Statements of Operations.

	THREE MONTHS ENDED JANUARY 31,	
	2006	2005
Net sales	$ 88,101,000	$ 56,981,000
Cost of sales	56,049,000	36,701,000
Selling, general and administrative expenses	16,766,000	11,619,000
Total operating costs and expenses	72,815,000	48,320,000
Operating income	$ 15,286,000	$ 8,661,000
Net sales by segment:		
Flight Support Group	$ 61,689,000	$ 42,263,000
Electronic Technologies Group	26,471,000	14,774,000
Intersegment sales	(59,000)	(56,000)
	$ 88,101,000	$ 56,981,000
Operating income by segment:		
Flight Support Group	$ 12,308,000	$ 7,598,000
Electronic Technologies Group	5,710,000	2,462,000
Other, primarily corporate	(2,732,000)	(1,399,000)
	$ 15,286,000	$ 8,661,000
Net sales	100.0%	100.0%
Gross profit	36.4%	35.6%
Selling, general and administrative expenses	19.0%	20.4%
Operating income	17.4%	15.2%
Interest expense	0.9%	0.4%
Interest and other (expense) income	(0.1%)	0.1%
Income tax expense	5.6%	5.1%
Minority interests' share of income	3.1%	2.0%
Net income	7.7%	7.8%

COMPARISON OF FIRST QUARTER OF FISCAL 2006 TO FIRST QUARTER OF FISCAL 2005

Net Sales

Net sales for the first quarter of 2006 increased by 54.6% to $88.1 million, as compared to net sales of $57.0 million for the first three months of fiscal 2005. The increase in net sales reflects an increase of $19.4 million (a 46.0% increase) to $61.7 million in net sales within the FSG and an increase of $11.7 million (a 79.2% increase) to $26.5 million in net sales within the ETG. The FSG's net sales increase primarily reflects the acquisition of SDI and organic growth of approximately 19%. The organic growth reflects improved demand for its aftermarket replacement parts and repair and overhaul services, which reflects continued recovery within the commercial airline industry, as well as increased sales of new products and services. The ETG's net sales increase principally reflects the acquisitions of Connectronics, Lumina, HVT and EDT and organic growth of approximately 13% reflecting increased demand for certain products.

Gross Profit and Operating Expenses

The Company's gross profit margin improved to 36.4% for the first quarter of fiscal 2006 as compared to 35.6% for the first quarter of fiscal 2005, reflecting higher margins within the ETG. The ETG's gross profit margin increase was principally from improved product mix, including a higher margin product mix contributed by recent acquisitions. Consolidated cost of sales for the first quarter of fiscal 2006 and 2005 includes approximately $3.8 million and $2.4 million, respectively, of new product research and development expenses.

Selling, general and administrative ("SG&A") expenses were $16.8 million and $11.6 million for the first quarter of fiscal 2006 and 2005, respectively. The increase in SG&A expenses was mainly due to higher operating costs, principally personnel related, associated with the aforementioned acquisitions, the increase in net sales discussed above, an increase in corporate expenses and stock option compensation expense (see Stock Based Compensation below). Corporate expenses are up due to increased costs to comply with the Sarbanes-Oxley Act of 2002 and higher accrued performance awards. The majority of such costs incurred in fiscal 2005 were not incurred until the second half of fiscal 2005.

Operating Income

Operating income for the first quarter of fiscal 2006 increased by 76.5% to $15.3 million, compared to operating income of $8.7 million in fiscal 2005. The increase in operating income reflects an increase of $4.7 million (a 62.0% increase) to $12.3 million in operating income of the FSG from $7.6 million for the first quarter of fiscal 2005. Operating income of the ETG increased $3.2 million (a 131.9% increase) to $5.7 million from $2.5 million for the first quarter of fiscal 2005. These increases were partially offset the aforementioned increase in corporate expenses. As a percentage of net sales, operating income increased to 17.4% in the first quarter of fiscal 2006 from 15.2% for the first quarter of fiscal 2005. The improvement in operating income as a percentage of net sales reflects an increase in the FSG's operating income as a percentage of net sales from 18.0% in the first quarter of fiscal 2005 to 20.0% in the first quarter of fiscal 2006 and an increase in the ETG's operating income as a percentage of net sales from

16.7% in the first quarter of fiscal 2005 to 21.6% in the first quarter of fiscal 2006. The increase in the FSG's operating income as a percentage of net sales reflects improved operating efficiencies. The increase in the ETG's operating income as a percentage of net sales reflects the increased gross profit margins discussed previously.

Interest Expense

Interest expense increased to $808,000 in the first quarter of fiscal 2006 from $233,000 in the first quarter of fiscal 2005. The increase was principally due to a higher weighted average balance outstanding under the revolving credit facility in the first quarter of fiscal 2006 attributable to borrowings related to acquisitions and higher interest rates.

Interest and Other (Expense) Income

Interest and other (expense) income were not material in the first quarter of fiscal 2006 or 2005.

Income Tax Expense

The Company's effective tax rate for the first quarter of fiscal 2006 decreased to 34.1% from 34.5% for the first quarter of fiscal 2005. The decrease is principally due to a higher amount of the minority interests' share of income excluded from the Company's fiscal 2006 consolidated income subject to federal income taxes, partially offset by higher state taxes, principally related to recent acquisitions.

Minority Interests' Share of Income

Minority interests' share of income of consolidated subsidiaries relates to the minority interests held in HEICO Aerospace including the 49% minority interest held in SDI and the minority interests held in the ETG, which consist of the 20% minority interest held in Sierra Microwave Technology, LLC ("Sierra") and the 15% minority interest held in HVT. The increase in the minority interests' share of income for the first quarter of fiscal 2006 compared to the first quarter of fiscal 2005 is attributable to the acquisitions of SDI (November 2005) and HVT (September 2005) and the higher earnings of the FSG and Sierra.

Net Income

The Company's net income was $6.7 million, or $.26 per diluted share, for the first quarter of fiscal 2006 compared to $4.4 million, or $0.17 per diluted share, for the first quarter of fiscal 2005 reflecting the increased operating income referenced above, partially offset by the increased minority interests' share of income of certain consolidated subsidiaries.

OUTLOOK

The Company reported increased sales and operating income in its two business segments reflecting both growth through acquisitions and strong organic growth.

Based on increasing product demand and the Company's continued success in introducing new products and services, the Company continues to target growth in fiscal 2006 sales and net income over fiscal 2005 results with some operating margin improvement.

LIQUIDITY AND CAPITAL RESOURCES

The Company generates cash primarily from its operating activities and financing activities, including borrowings under long-term credit agreements.

Principal uses of cash by the Company include acquisitions, payments of principal and interest on debt, capital expenditures, cash dividends and increases in working capital.

The Company believes that its net cash provided by operating activities and available borrowings under its revolving credit facility will be sufficient to fund cash requirements for the foreseeable future.

Operating Activities

Net cash provided by operating activities was $6.3 million for the first three months of fiscal 2006, consisting primarily of net income of $6.7 million, minority interests' share of income of consolidated subsidiaries of $2.8 million, a tax benefit on stock option exercises of $2.4 million, depreciation and amortization of $2.1 million, a deferred income tax provision of $1.1 million, and stock option compensation expense of $.4 million, partially offset by an increase in net operating assets of $8.1 million and the reclassification of $1.1 million of excess tax benefit from stock option exercises to a financing activity in accordance with the provisions of SFAS No. 123(R) (see Stock Based Compensation below). The increase in net operating assets (current assets used in operating activities net of current liabilities) primarily reflects a higher investment in inventories required to meet increased sales demand associated with new product offerings, sales growth and increased lead times on certain raw materials; and the payment of performance awards that were accrued as of October 31, 2005. Net cash provided by operating activities increased from $4.0 million for the first three months of fiscal 2005 principally as a result of the increase in net income.

Investing Activities

Net cash used in investing activities during the first three months of fiscal 2006 related primarily to acquisitions and related costs (principally SDI and EDT) of $30.1 million and capital expenditures totaling $1.2 million.

Financing Activities

Net cash provided by financing activities during the first three months of fiscal 2006 primarily related to borrowings of $28.0 million on the Company's revolving credit facility to fund the aforementioned acquisitions and $1.1 million of excess tax benefit from stock option exercises classified as a financing activity in accordance with the provisions of SFAS No. 123(R), partially offset by the payment of $1.0 million in cash dividends on the Company's common stock.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has arranged for standby letters of credit aggregating $2.2 million to meet the security requirement of its insurance company for potential workers' compensation claims and one of the Company's subsidiaries has guaranteed its performance related to a customer contract through two letters of credit aggregating $1.2 million, both expiring April 2006. These letters of credit are supported by the Company's revolving credit facility. In addition, the Company's industrial development revenue bonds are secured by a $2.0 million letter of credit expiring April 2008 and a mortgage on the related properties pledged as collateral.

As part of the agreement to acquire an 80% interest in a subsidiary by the ETG in fiscal 2004, the Company has the right to purchase the minority interests beginning at approximately the tenth anniversary of the acquisition, or sooner under certain conditions, and the minority holders have the right to cause the Company to purchase their interests commencing on approximately the fifth anniversary of the acquisition, or sooner under certain conditions.

As part of the agreement to purchase a subsidiary by the ETG in fiscal 2005, the Company may be obligated to pay additional purchase consideration of up to $3.8 million in aggregate should the subsidiary meet certain earnings objectives during the first four years following the acquisition. The Company has $2.2 million of such additional purchase consideration accrued as of January 31, 2006 based on the subsidiary's earnings relative to target for the first year, which it expects to pay in fiscal 2006.

As part of the agreement to purchase a subsidiary by the ETG in fiscal 2005, the Company may be obligated to pay additional purchase consideration currently estimated to total up to $2.3 million should the subsidiary meet certain product line-related earnings objectives during the fourth and fifth years following the acquisition. The additional purchase consideration will be accrued when the earnings objectives are met.

As part of the agreement to acquire an 85% interest in a subsidiary by the ETG in fiscal 2005, the minority holders have the right to cause the Company to purchase their interests over a four-year period starting around the second anniversary of the acquisition, or sooner under certain conditions.

As part of the agreement to acquire a 51% interest in a subsidiary by the FSG in fiscal 2006, the Company has the right to purchase 28% of the equity interests of the subsidiary over a four-year period beginning approximately after the second anniversary of the acquisition, or sooner under certain conditions, and the minority holder has the right to cause the Company to purchase the same equity interest over the same period. Further, the Company has the right to purchase the remaining 21% of the equity interests of the subsidiary over a three-year period beginning approximately after the fourth anniversary of the acquisition, or sooner under certain conditions, and the minority holder has the right to cause the Company to purchase the same equity interest over the same period.

As part of the agreement to acquire a subsidiary by the ETG in fiscal 2006, the Company may be obligated to pay additional consideration of up to $53.0 million in aggregate during the first four years following the acquisition. The maximum amount of additional consideration that may become payable by year is $6.8 million in fiscal 2006, $9.2 million in fiscal 2007, $17.8 million in fiscal 2008 and $19.2 million in fiscal 2009. The additional purchase consideration will be accrued when the earnings objectives are met.

The Company has also accrued additional purchase consideration aggregating $.7 million as of January 31, 2006 in accordance with the agreements related to certain acquisitions based principally on the actual value of the net assets acquired. The Company expects to pay this amount in fiscal 2006.

As part of an agreement for exclusive license rights to intellectual property, one of the subsidiaries of the ETG has guaranteed minimum royalty payments aggregating $.4 million through fiscal 2007.

STOCK BASED COMPENSATION

Effective November 1, 2005, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 123(R), "Share-Based Payment", as interpreted by the Securities and Exchange Commission in Staff Accounting Bulletin No. 107 and began recording compensation expense associated with stock options. SFAS No. 123(R) requires companies to recognize in the statement of operations the cost of employee services received in exchange for awards of equity instruments based on the grant date fair value of those awards (with limited exceptions). Prior to the adoption of SFAS No. 123(R), the Company accounted for stock-based employee compensation using the intrinsic value method prescribed by Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees". Accordingly, compensation expense had only been recorded in the consolidated financial statements for any stock options granted below fair market value of the underlying stock as of the date of grant.

The Company adopted the modified prospective transition method provided for under SFAS 123(R) and accordingly, prior period results have not been retroactively adjusted. The modified prospective transition method requires that stock-based compensation expense be recorded for (i) all new stock options granted on or after November 1, 2005 based on the grant date fair value determined under the provisions of SFAS 123(R) and (ii) all unvested stock options granted prior to November 1, 2005 based on the grant date fair value as determined under the provisions of SFAS No. 123.

Beginning in the first quarter of fiscal 2006, the Company has presented the cash flows resulting from tax deductions in excess of the cumulative compensation cost recognized for stock options exercised ("excess tax benefit") as a financing activity in the Condensed Consolidated Statements of Cash Flows as prescribed by SFAS No. 123(R). Prior to the adoption of SFAS No. 123(R), the Company presented all tax benefits resulting from stock option exercises as an operating activity in the Condensed Consolidated Statements of Cash Flows. For the three months ended January 31, 2006, the Company reclassified $1,130,000 of excess tax benefit from stock option exercises from operating activities to financing activities in its Condensed Consolidated Statements of Cash Flows.

As a result of the adoption of SFAS No. 123(R), the Company's net income for the three months ended January 31, 2006 includes $428,000 of compensation expense and $126,000 of income tax benefits related to the Company's stock options. Substantially all of the stock option compensation expense was recorded as a component of selling, general and administrative expenses in the Company's Condensed Consolidated Statement of Operations.

As of January 31, 2006, there was $1.6 million of pretax unrecognized compensation expense related to nonvested stock options, which is expected to be recognized over a weighted average period of approximately 1.4 years.

Further information regarding stock options can be found in Note 7, Stock Options, of the Notes to Condensed Consolidated Financial Statements.

OTHER NEW ACCOUNTING PRONOUNCEMENTS

In November 2004, the Financial Accounting Standards Board ("FASB") issued SFAS No. 151, "Inventory Costs, an amendment of ARB No. 43, Chapter 4". SFAS No. 151 requires the allocation of fixed production overhead costs be based on the normal capacity of the production facilities and unallocated overhead costs recognized as an expense in the period incurred. The Statement also clarifies that abnormal inventory costs such as costs of idle facilities, excess freight and handling costs, and wasted materials (spoilage) are required to be recognized as current period charges. The provisions of SFAS No. 151 are effective for fiscal years beginning after June 15, 2005. The adoption of SFAS No. 151 did not have a material effect on the Company's results of operations, financial position, or cash flows.

In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections, a replacement of APB Opinion No. 20 and FASB Statement No. 3." SFAS No. 154 changes the requirements for the accounting and reporting of a change in accounting principle. The Statement eliminates the requirement in APB Opinion No. 20 to include the cumulative effect of changes in accounting principle in the income statement in the period of change, and instead requires that changes in accounting principle be retrospectively applied unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. The Statement applies to all voluntary changes in accounting principle. SFAS No. 154 is effective for changes made in fiscal years beginning after December 15, 2005. The Company does not expect the adoption of SFAS No. 154 to have a material effect on its results of operations, financial position, or cash flows.

FORWARD-LOOKING STATEMENTS

Certain statements in this Report constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained herein that are not clearly historical in nature may be forward-looking and the words "believe," "expect," "estimate" and similar expressions are generally intended to identify forward looking statements. Any forward-looking statements contained herein, in press releases, written statements or other documents filed with the Securities and Exchange Commission or in communications and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls, concerning our operations, economic performance and financial condition are subject to known and unknown risks, uncertainties and contingencies. We have based these forward-looking statements on our current expectations and projections about future events. All forward-looking statements involve risks and uncertainties, many of which are beyond our control, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Also, forward-looking statements are based upon management's estimates of fair values and of future costs, using currently available information. Therefore, actual results may differ materially from those expressed in or implied by those statements. Factors that could cause such differences, but are not limited to: lower demand for commercial air travel or airline fleet changes, which could cause lower demand for our goods and services; product specification costs and requirements, which could cause an increase to our costs to complete contracts; governmental and regulatory demands, export policies and restrictions, reductions in defense or space spending by U.S. and/or foreign customers, or competition from existing and new competitors, which could reduce our sales; HEICO's ability to introduce new products and product pricing levels, which could reduce our sales or sales growth; HEICO's ability to make acquisitions and achieve operating synergies from acquired businesses, customer credit risk, interest rates and economic conditions within and outside of the aviation, defense, space and electronics industries, which could negatively impact our costs and revenues; and HEICO's ability to maintain effective internal controls, which could adversely affect our business and the market price of our common stock. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Substantially all of the Company's borrowings bear interest at floating interest rates. Based on the outstanding debt balance as of January 31, 2006, a hypothetical 10% increase in interest rates would increase the Company's interest expense by approximately $328,000 on an annual basis.

The Company is also exposed to foreign currency exchange rate fluctuations on the United States dollar value of its foreign currency denominated transactions, which are principally in British pound sterling. A hypothetical 10% weakening in the exchange rate of the British pound sterling to the United States dollar as of January 31, 2006 would not have a material effect on the Company's results of operations or financial position.

ITEM 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and its Chief Financial Officer conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this quarterly report. Based upon that evaluation, the Company's Chief Executive Officer and its Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective as of the end of the period covered by this quarterly report.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation referred to above that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The Company did not incur any unregistered sales of its equity securities or repurchase any of its equity securities during the first three months of fiscal 2006.

ITEM 6. EXHIBITS

EXHIBIT	DESCRIPTION
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer. *
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer. *
32.1	Section 1350 Certification of Chief Executive Officer. **
32.2	Section 1350 Certification of Chief Financial Officer. **

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* Filed herewith.

** Furnished herewith.

SIGNATURE

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

Date: March 10, 2006

By: /s/ THOMAS S. IRWIN

Thomas S. Irwin
Executive Vice President
and Chief Financial Officer
(Principal Financial and
Accounting Officer)

EXHIBIT INDEX

EXHIBIT	DESCRIPTION
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certification of Chief Executive Officer.
32.2	Section 1350 Certification of Chief Financial Officer.

Exhibit 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Laurans A. Mendelson, Chief Executive Officer of HEICO Corporation, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of HEICO Corporation;

(2) Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2006

/s/ LAURANS A. MENDELSON

Laurans A. Mendelson
Chief Executive Officer

Exhibit 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION

I, Thomas S. Irwin, Chief Financial Officer of HEICO Corporation, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of HEICO Corporation;

(2) Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2006

/s/ THOMAS S. IRWIN

Thomas S. Irwin
Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION

In connection with the Quarterly Report of HEICO Corporation (the "Company") on Form 10-Q for the period ended January 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report") I, Laurans A. Mendelson, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 10, 2006

/S/ LAURANS A. MENDELSON

Laurans A. Mendelson
Chief Executive Officer

Exhibit 32.2

SECTION 1350 CERTIFICATION

In connection with the Quarterly Report of HEICO Corporation (the "Company") on Form 10-Q for the period ended January 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report") I, Thomas S. Irwin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 10, 2006

/S/ THOMAS S. IRWIN
Thomas S. Irwin
Chief Financial Officer