

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **May 24, 2011**

HEICO Corporation

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction
of incorporation)

1-4604
(Commission File Number)

65-0341002
(IRS Employer Identification No.)

3000 Taft Street, Hollywood, Florida
(Address of principal executive offices)

33021
(Zip Code)

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

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On May 24, 2011 the Registrant issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1. Press release dated May 24, 2011

SIGNATURE

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

HEICO Corporation

(Registrant)

/s/ **THOMAS S. IRWIN**

May 24, 2011

(Date)

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

Exhibit Index

99.1 Press release dated May 24, 2011

HEICO Corporation Reports Record Sales and Operating Income for the Second Quarter of Fiscal 2011; Fiscal 2011 Full Year Sales and Net Income Estimates Raised

2nd Quarter Net Income Up 34% and Operating Income Up 27% on 20% Increase in Net Sales

HOLLYWOOD, Fla. and MIAMI, May 24, 2011 (GLOBE NEWSWIRE) -- HEICO CORPORATION (NYSE:HEI.A) (NYSE:HEI) today reported that net income increased 34% to \$16,830,000, or 40 cents per diluted share, for the second quarter of fiscal 2011, up from \$12,573,000, or 30 cents per diluted share, for the second quarter of fiscal 2010. For the first six months of fiscal 2011, net income increased 39% to a record \$33,904,000, or 80 cents per diluted share, up from \$24,366,000, or 58 cents per diluted share, for the first six months of fiscal 2010.

All per share information has been adjusted retrospectively to reflect a 5-for-4 stock split distributed by the Company in April 2011.

Operating income increased 27% to a record \$32,913,000 in the second quarter of fiscal 2011, up from \$25,957,000 in the second quarter of fiscal 2010. For the first six months of fiscal 2011, operating income increased 29% to a record \$65,285,000, up from \$50,501,000 in the first six months of fiscal 2010. Our consolidated operating margin improved to 17.8% and 18.2% in the second quarter and first half of fiscal 2011, respectively, up from 16.9% and 17.5% in the second quarter and first half of fiscal 2010, respectively.

Net sales increased 20% to a record \$184,486,000 in the second quarter of fiscal 2011, up from \$153,845,000 in the second quarter of fiscal 2010. For the six months of fiscal 2011, net sales increased 24% to a record \$358,705,000, up from \$289,380,000 in the first six months of fiscal 2010.

(NOTE: HEICO has two classes of common stock traded on the NYSE. Both classes, the Class A Common Stock (HEI.A) and the Common Stock (HEI), are virtually identical in all economic respects. The only difference between the share classes is the voting rights. The Class A Common Stock (HEI.A) receives 1/10 vote per share and the Common Stock (HEI) receives one vote per share.)

Laurans A. Mendelson, HEICO's Chairman and CEO, commenting on the Company's second quarter results stated, "We are very pleased to report record sales and operating income on the strength of record results in our Flight Support Group and continued strong earnings in our Electronic Technologies Group. Sales and operating income within our Flight Support Group for the second quarter of fiscal 2011 represent all time quarterly records reflecting strong organic growth as well as growth through acquiring a profitable, well managed business in the first quarter of fiscal 2011.

Net sales of our Flight Support Group increased 30% in the second quarter of fiscal 2011 to a record \$133.8 million, up from \$103.0 million in the second quarter of fiscal 2010. Net sales for the first six months of fiscal 2011 increased 29% to a record \$254.4 million, up from \$196.8 million in the first six months of fiscal 2010. The increases in net sales in the second quarter and first six months of fiscal 2011 principally reflect strong organic growth of approximately 20% and 22%, respectively, as well as additional net sales contributed by the acquisition of Blue Aerospace in the first quarter of fiscal 2011. Net sales of our Flight Support Group have now increased over each of the past five quarters reflecting sales growth in both the parts and services we offer our commercial airline customers as they continue to increase maintenance expenditures to reflect current operating cycles.

Operating income of the Flight Support Group increased 46% to a record \$23.4 million for the second quarter of fiscal 2011, up from \$16.1 million for the second quarter of fiscal 2010. Operating income of the Flight Support Group increased 34% to a record \$43.8 million for the first six months of fiscal 2011, up from \$32.8 million for the first six months of fiscal 2010. The increases in operating income in the second quarter and first six months of fiscal 2011 reflect both higher sales volumes and improved operating margins.

Operating margins of the Flight Support Group improved to 17.5% for the second quarter of fiscal 2011, up from 15.6% reported for the second quarter of 2010. Operating margins of the Flight Support Group improved to 17.2% for the first six months of fiscal 2011, up from 16.7% for the first six months of fiscal 2010. The improved operating margins in the second quarter and first six months of fiscal 2011 principally reflect the efficiencies realized through higher sales volumes.

Net sales of our Electronic Technologies Group increased to \$51.4 million for the second quarter of fiscal 2011, up from \$51.1 million for the second quarter of fiscal 2010. Net sales for the first six months of fiscal 2011 increased 13% to a record \$105.3 million, up from \$93.1 million for the first six months of fiscal 2010. The net sales increase in the ETG for the first six months of fiscal 2011 reflects organic growth of approximately 6% and additional net sales contributed by a fiscal 2010 acquisition. The organic growth in the ETG principally reflects strength in demand for certain of our defense, space and electronic products.

Operating income of the Electronic Technologies Group remained strong at \$13.6 million in both the second quarter of fiscal 2011 and 2010. Operating income of the ETG increased 18% to a record \$29.2 million for the first six months of fiscal 2011, up from \$24.8 million for the first six months of fiscal 2010, principally reflecting the higher sales levels in the first quarter of fiscal 2011.

Operating margins of the Electronic Technologies Group also remained strong at 26.6% for both the second quarter of fiscal 2011 and 2010. Operating margins of the Electronic Technologies Group improved to 27.7% for the first six months of fiscal 2011, up

from 26.6% for the first six months of fiscal 2010, principally as a result of a more favorable product sales mix and higher sales levels in the first quarter of fiscal 2011.

Our cash flow and balance sheet remain extremely strong. Cash flow from operating activities for the first six months of fiscal 2011 totaled \$51.1 million, including \$27.5 million generated in the second quarter of fiscal 2011, and represented 151% of net income, compared to \$40.3 million for the first six months of fiscal 2010. Capital expenditures were \$3.9 million in the first six months of 2011 compared to \$4.6 million in the first half of 2010.

We expect fiscal 2011 cash flow provided by operating activities to remain at a high level and to approximate \$95 - \$100 million. Capital expenditures in fiscal 2011 are anticipated to approximate \$10 - \$12 million.

As of April 30, 2011, we have no net debt outstanding as our cash and cash equivalents exceed our total debt and our current revolving credit facility does not mature until 2013. We believe our strong balance sheet and debt capacity offer great opportunities to continue to acquire well managed profitable businesses.

In our Flight Support Group's markets, we've been pleased with the continued increase in capacity within the commercial airline industry, which began last year and has resulted in higher demand for our products and services and opportunities to increase our market penetration. While recognizing that the uncertainty raised by higher oil prices may moderate organic growth over the remainder of 2011, we continue to expect year-over-year sales growth in our Flight Segment Group. In our Electronic Technologies Group's markets, we generally anticipate stable or increasing demand for our products.

Based on current market conditions within our aviation and other major markets, we are increasing our estimates of full year fiscal 2011 growth in net income to approximately 20% and growth in net sales to approximately 18%, up from our prior growth estimates of 15% - 17% in net income and 13% - 15% in net sales. The estimates exclude the impact of additional acquisitions, if any."

As previously announced, HEICO will hold a conference call on Wednesday, May 25, 2011 at 9:00 a.m. Eastern Daylight Time to discuss its first quarter results. Individuals wishing to participate in the conference call should dial: U.S. and Canada (877) 586-4323, International (706) 679-0934, wait for the conference operator and provide the operator with the Conference ID 67802278. A digital replay will be available two hours after the completion of the conference for 14 days. To access, dial: (706) 645-9291, and enter the Conference ID 67802278.

There are currently approximately 25.0 million shares of HEICO's Class A Common Stock (HEI.A) outstanding and 16.7 million shares of HEICO's Common Stock (HEI) outstanding. The stock symbols for HEICO's two classes of common stock on most web sites are HEI.A and HEI. However, some web sites change HEICO's Class A Common Stock trading symbol (HEI.A) to HEI/A or HEIa.

HEICO Corporation is engaged primarily in certain niche segments of the aviation, defense, space, medical, telecommunication and electronic industries through its Hollywood, Florida- based Flight Support Group and its Miami, Florida-based Electronic Technologies Group. HEICO's customers include a majority of the world's airlines and airmotives as well as numerous defense and space contractors and military agencies worldwide in addition to medical, telecommunication and electronic equipment manufacturers. For more information about HEICO, please visit our web site at <http://www.heico.com>.

Certain statements in this press release constitute forward-looking statements, which are subject to risks, uncertainties and contingencies. HEICO's actual results may differ materially from those expressed in or implied by those forward-looking statements as a result of factors including, but 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, space or homeland security 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; and HEICO's ability to make acquisitions and achieve operating synergies from acquired businesses, customer credit risk, interest and income tax rates and economic conditions within and outside of the aviation, defense, space, medical, telecommunication and electronic industries, which could negatively impact our costs and revenues. Parties receiving this material are encouraged to review all of HEICO's filings with the Securities and Exchange Commission, including, but not limited to filings on Form 10-K, Form 10-Q and Form 8-K. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

HEICO CORPORATION

Condensed Consolidated Statements of Operations (Unaudited)

| | <u>Three Months Ended April 30,</u> | |
|----------------------------------------------|-------------------------------------|-------------------|
| | <u>2011</u> | <u>2010</u> |
| Net sales | \$184,486,000 | \$153,845,000 |
| Cost of sales | 118,115,000 | 100,219,000 |
| Selling, general and administrative expenses | <u>33,458,000</u> | <u>27,669,000</u> |
| Operating income | 32,913,000 | 25,957,000 |

| | | |
|-----------------------------------------------------------|----------------------------|----------------------------|
| Interest expense | (38,000) | (167,000) |
| Other income | <u>151,000</u> | <u>268,000</u> |
| Income before income taxes and noncontrolling interests | 33,026,000 | 26,058,000 |
| Income tax expense | <u>10,900,000</u> | <u>9,150,000</u> |
| Net income from consolidated operations | 22,126,000 | 16,908,000 |
| Less: Net income attributable to noncontrolling interests | <u>5,296,000</u> | <u>4,335,000</u> |
| Net income attributable to HEICO | <u><u>\$16,830,000</u></u> | <u><u>\$12,573,000</u></u> |

Net income per share attributable to HEICO shareholders: ^(a)

| | | |
|---------|--------|--------|
| Basic | \$.40 | \$.31 |
| Diluted | \$.40 | \$.30 |

Weighted average number of common shares outstanding: ^(a)

| | | |
|---------|------------|------------|
| Basic | 41,627,329 | 40,972,865 |
| Diluted | 42,482,719 | 42,201,068 |

Three Months Ended April 30,

| <u>2011</u> | <u>2010</u> |
|-------------|-------------|
|-------------|-------------|

Operating segment information: --

Net sales:

| | | |
|-------------------------------|-----------------------------|-----------------------------|
| Flight Support Group | \$133,804,000 | \$103,043,000 |
| Electronic Technologies Group | 51,372,000 | 51,066,000 |
| Intersegment sales | <u>(690,000)</u> | <u>(264,000)</u> |
| | <u><u>\$184,486,000</u></u> | <u><u>\$153,845,000</u></u> |

Operating income:

| | | |
|-------------------------------|----------------------------|----------------------------|
| Flight Support Group | \$23,405,000 | \$16,055,000 |
| Electronic Technologies Group | 13,645,000 | 13,593,000 |
| Other, primarily corporate | <u>(4,137,000)</u> | <u>(3,691,000)</u> |
| | <u><u>\$32,913,000</u></u> | <u><u>\$25,957,000</u></u> |

HEICO CORPORATION

Condensed Consolidated Statements of Operations (Unaudited)

Six Months Ended April 30,

| <u>2011</u> | <u>2010</u> |
|-------------|-------------|
|-------------|-------------|

| | | |
|-----------------------------------------------------------|-------------------------------------------|----------------------------|
| Net sales | \$358,705,000 | \$289,380,000 |
| Cost of sales | 228,408,000 | 185,634,000 |
| Selling, general and administrative expenses | <u>65,012,000</u> | <u>53,245,000</u> |
| Operating income | 65,285,000 | 50,501,000 |
| Interest expense | (92,000) | (286,000) |
| Other income | <u>206,000</u> | <u>423,000</u> |
| Income before income taxes and noncontrolling interests | 65,399,000 | 50,638,000 |
| Income tax expense | <u>20,750,000</u> | <u>17,700,000</u> |
| Net income from consolidated operations | 44,649,000 | 32,938,000 |
| Less: Net income attributable to noncontrolling interests | <u>10,745,000</u> | <u>8,572,000</u> |
| Net income attributable to HEICO | <u><u>\$33,904,000</u></u> ^(b) | <u><u>\$24,366,000</u></u> |

Net income per share attributable to HEICO shareholders: ^(a)

| | | |
|---------|-----------------------|--------|
| Basic | \$.82 ^(b) | \$.60 |
| Diluted | \$.80 ^(b) | \$.58 |

Weighted average number of common shares outstanding: ^(a)

| | | |
|---------|------------|------------|
| Basic | 41,493,461 | 40,913,676 |
| Diluted | 42,433,999 | 42,164,233 |

Six Months Ended April 30,

| <u>2011</u> | <u>2010</u> |
|-------------|-------------|
|-------------|-------------|

Operating segment information: --

Net sales:

| | | |
|-------------------------------|----------------------|----------------------|
| Flight Support Group | \$254,445,000 | \$196,822,000 |
| Electronic Technologies Group | 105,311,000 | 93,124,000 |
| Intersegment sales | <u>(1,051,000)</u> | <u>(566,000)</u> |
| | <u>\$358,705,000</u> | <u>\$289,380,000</u> |

Operating income:

| | | |
|-------------------------------|---------------------|---------------------|
| Flight Support Group | \$43,834,000 | \$32,775,000 |
| Electronic Technologies Group | 29,183,000 | 24,763,000 |
| Other, primarily corporate | <u>(7,732,000)</u> | <u>(7,037,000)</u> |
| | <u>\$65,285,000</u> | <u>\$50,501,000</u> |

HEICO CORPORATION

Footnotes to Condensed Consolidated Statements of Operations (Unaudited)

- (a) All share and per share information has been adjusted retrospectively to reflect a 5-for-4 stock split effected in April 2011.
- (b) In December 2010, Section 41 of the Internal Revenue Code, "Credit for Increasing Research Activities," was retroactively extended for two years to cover the period from January 1, 2010 to December 31, 2011. As a result, we recognized an income tax credit for qualified research and development activities for the last ten months of fiscal 2010 in the first quarter of fiscal 2011. The tax credit, net of expenses, increased net income attributable to HEICO by approximately \$.8 million, or \$.02 per diluted share, in the first quarter of fiscal 2011.

HEICO CORPORATION

Condensed Consolidated Balance Sheets (Unaudited)

| | <u>April 30, 2011</u> | <u>October 31, 2010</u> |
|-------------------------------------------|-----------------------|-------------------------|
| Cash and cash equivalents | \$7,760,000 | \$6,543,000 |
| Accounts receivable, net | 100,569,000 | 91,815,000 |
| Inventories, net | 153,676,000 | 138,215,000 |
| Prepaid expenses and other current assets | <u>26,221,000</u> | <u>22,676,000</u> |
| Total current assets | 288,226,000 | 259,249,000 |
| Property, plant and equipment, net | 57,759,000 | 59,003,000 |
| Goodwill | 391,339,000 | 385,016,000 |
| Other assets | <u>97,583,000</u> | <u>78,375,000</u> |
| Total assets | <u>\$834,907,000</u> | <u>\$781,643,000</u> |
| | | |
| Current maturities of long-term debt | \$50,000 | \$148,000 |
| Other current liabilities | <u>90,300,000</u> | <u>81,684,000</u> |
| Total current liabilities | 90,350,000 | 81,832,000 |
| Long-term debt, net of current maturities | 7,055,000 | 14,073,000 |
| Deferred income taxes | 45,695,000 | 45,308,000 |
| Other non-current liabilities | <u>38,370,000</u> | <u>30,556,000</u> |
| Total liabilities | 181,470,000 | 171,769,000 |
| Redeemable noncontrolling interests | 53,955,000 | 55,048,000 |
| Shareholders' equity | <u>599,482,000</u> | <u>554,826,000</u> |
| Total liabilities and equity | <u>\$834,907,000</u> | <u>\$781,643,000</u> |

HEICO CORPORATION

Condensed Consolidated Statements of Cash Flows (Unaudited)

| | <u>Six Months Ended April 30,</u> | |
|-----------------------|-----------------------------------|-------------|
| | <u>2011</u> | <u>2010</u> |
| Operating Activities: | | |

| | | |
|------------------------------------------------|--------------------|--------------------|
| Net income from consolidated operations | \$44,649,000 | \$32,938,000 |
| Depreciation and amortization | 8,891,000 | 8,878,000 |
| Deferred income tax provision | 242,000 | 610,000 |
| Tax benefit from stock option exercises | 7,718,000 | 952,000 |
| Excess tax benefit from stock option exercises | (6,358,000) | (670,000) |
| Stock option compensation expense | 1,128,000 | 610,000 |
| (Increase) decrease in accounts receivable | (3,597,000) | 1,863,000 |
| Increase in inventories | (6,153,000) | (184,000) |
| Increase (decrease) in current liabilities | 7,135,000 | (3,552,000) |
| Other | <u>(2,574,000)</u> | <u>(1,182,000)</u> |
| Net cash provided by operating activities | <u>51,081,000</u> | <u>40,263,000</u> |

Investing Activities:

| | | |
|---------------------------------------|---------------------|---------------------|
| Acquisitions, net of cash acquired | (27,936,000) | (36,189,000) |
| Capital expenditures | (3,845,000) | (4,600,000) |
| Other | <u>3,000</u> | <u>(2,000)</u> |
| Net cash used in investing activities | <u>(31,778,000)</u> | <u>(40,791,000)</u> |

Financing Activities:

| | | |
|---------------------------------------------------------------|---------------------|------------------|
| (Payments) borrowings on revolving credit facility, net | (7,000,000) | 9,000,000 |
| Acquisitions of noncontrolling interests | (7,241,000) | (727,000) |
| Redemptions of common stock related to stock option exercises | (5,432,000) | (353,000) |
| Distributions to noncontrolling interests | (4,450,000) | (4,446,000) |
| Cash dividends paid | (2,092,000) | (1,638,000) |
| Excess tax benefit from stock option exercises | 6,358,000 | 670,000 |
| Proceeds from stock option exercises | 1,806,000 | 1,385,000 |
| Other | <u>(125,000)</u> | <u>(102,000)</u> |
| Net cash (used in) provided by financing activities | <u>(18,176,000)</u> | <u>3,789,000</u> |

| | | |
|-----------------------------------------|---------------|---------------|
| Effect of exchange rate changes on cash | <u>90,000</u> | <u>97,000</u> |
|-----------------------------------------|---------------|---------------|

| | | |
|------------------------------------------------|---------------------------|----------------------------|
| Net increase in cash and cash equivalents | 1,217,000 | 3,358,000 |
| Cash and cash equivalents at beginning of year | <u>6,543,000</u> | <u>7,167,000</u> |
| Cash and cash equivalents at end of period | <u><u>\$7,760,000</u></u> | <u><u>\$10,525,000</u></u> |

CONTACT: Thomas S. Irwin (954) 987-4000 ext. 7560
Victor H. Mendelson (305) 374-1745 ext. 7590