

NEWS RELEASE



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For Immediate Release

HEI, Inc. Announces Audited Results for 16-Month Period

MINNEAPOLIS, March 6, 2009 -- HEI, Inc. (Pink Sheets: HEII) announced its financial results for the 16-month period ended January 3, 2009. HEI modified its fiscal year to end on the Saturday closest to December 31. As a result, HEI is reporting results for the 16-month period of September 2007 to December 2008 compared to the 12-month period of Fiscal 2007 which was September 2006 to August 2007.

Net sales for the 16-month period ended January 3, 2009 were \$55,751,000, compared to \$38,384,000 for the 12-month period ended September 1, 2007. The Company generated net income of \$1,073,000 for the 16-month period ended January 3, 2009 compared to a net loss of (\$5,657,000) for the 12-month period ended September 1, 2007. Basic and diluted earnings per share were \$0.11 per share for the 16-month period ended January 3, 2009 compared to a loss per share of (\$0.59) per share for the 12-month period ended September 1, 2007.

“Our focus continues to be on the long-term future for HEI. We believe that we have made significant strides in our turnaround efforts and continue to look at operational improvements on a daily basis. Our focus revolves around our current customers and our pursuit of new customers in all three of our operating divisions. We also believe that even in these challenging economic times, we have a foundation from which to build our future and that there are significant opportunities to expand our business. Our focus on the customer and helping them accomplish their goals will make HEI an even stronger company in the coming years,” remarked Mark B. Thomas, HEI CEO.

Thomas continues, “We reported a 16-month period to save the cost of a separate audit for the original 12-month fiscal year and again for a short 4-month period. Moving forward, we will be comparing 12 month periods for our fiscal years. The 4 month extended period builds nicely on the previously reported net income of \$857,000 for the 12-month period ended August 30, 2008.”

HEI presently plans to hold its annual shareholders meeting on May 15, 2009.

HEI, Inc. designs, develops and manufactures ultra-miniature microelectronics, substrates, integrated systems and software solutions for customers engaged in the medical, hearing, telecommunications, and industrial markets. HEI provides its customers with a single point of contact that can take an idea from inception to a fully functional and cost effective product utilizing innovative design solutions and the application of state-of-the-art materials, processes and manufacturing capabilities.

Headquarters & Microelectronics Division
-Advanced Medical Division
-High Density Interconnect Division

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Our website is: <http://www.heii.com>. The information on our website is not incorporated by reference into this press release.

FORWARD LOOKING INFORMATION

Information in this news release, which is not historical, includes forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that involve substantial risks and uncertainties. You can identify these statements by forward-looking words such as “may,” “will,” “expect,” “anticipate,” “believe,” “intend,” “estimate,” “continue,” and similar words. Statements contained in this news release, including the implementation of business strategies, growth of specific markets, improved results and the estimated HEI revenue, cash flow and profits, are forward looking statements. All of such forward-looking statements involve risks and uncertainties including, without limitation, adverse business and market conditions, the ability of HEI to secure and satisfy customers, the availability and cost of materials from HEI’s suppliers, our ability to satisfy financial or other obligations or covenants set forth in our financing agreements, adverse competitive developments, change in or cancellation of customer requirements, collection of receivables and outstanding debt, HEI’s ability to control fixed and variable operating expenses, and other risks. We undertake no obligation to update these statements to reflect ensuing events or circumstances, or subsequent actual results. See the risk factor section in our annual report on Form 10K for year ended September 1, 2007.