

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of Earliest
Event Reported): August 11, 1999

SUN HYDRAULICS CORPORATION

(Exact name of registrant as specified in its charter)

Florida	0-21835	59-2754337
----- (State or other jurisdiction of incorporation)	----- (Commission File Number)	----- (IRS Employer Identification No.)

1500 West University Parkway Sarasota, Florida	34243
----- (Address of principal executive offices)	----- (Zip Code)

Registrant's telephone number, including area code: 941-362-1200

ITEM 5. OTHER EVENTS.

PRESS RELEASE

On August 11, 1999, the Company issued the press release attached hereto as Exhibit 99.1 announcing results for the quarter ended July 3, 1999.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements of Businesses Acquired.

None.

(b) Pro Forma Financial Information.

None.

(c) Exhibits.

Exhibit Number	Exhibit Description
-----	-----
99.1	Press Release of the Registrant dated August 11, 1999.

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 thereunto duly authorized.

SUN HYDRAULICS CORPORATION

By: /s/ Richard J. Dobbyn

Richard J. Dobbyn
Chief Financial Officer (Principal
Financial and Accounting Officer)

Dated: August 13, 1999

3

EXHIBIT INDEX

Exhibit Number -----	Exhibit Description -----
99.1	Press Release of the Registrant dated August 11, 1999.

4

Exhibit 99.1

FOR RELEASE: Immediately

Contact:

Richard K. Arter Investor Relations 941-362-1200
Richard J. Dobbyn Chief Financial Officer 941-362-1200

SUN HYDRAULICS CORPORATION RELEASES SECOND QUARTER RESULTS

SARASOTA, FLA, August 11, 1999 - Sun Hydraulics Corporation (NASDAQ: SNHY) today announced net sales were \$15.9 million for the quarter ended July 3, 1999, representing a 9.5% decrease compared to second quarter 1998 net sales of \$17.6 million. The Company incurred a net loss of \$0.2 million for the second quarter of 1999, compared to net income of \$1.2 million in the same quarter of 1998. Basic and diluted net losses per share for the second quarter of 1999 were (\$0.03), compared to basic and diluted net income per share of \$0.19 and \$0.18, respectively, in the second quarter of 1998.

"The second quarter loss was mainly a result of missed shipments and productivity issues related to the implementation of our new Y2K compliant operating system," said Clyde Nixon, Sun Hydraulics President. "As we stated in our July 29th press release, we experienced many small difficulties during the implementation, but shipments have recently returned to pre-implementation levels. We believe that once fully implemented, the new system will provide significant long-term benefits.

Sun Hydraulics Corporation, with manufacturing and distribution facilities in Sarasota and Manatee County, Florida, Coventry, England, Erkelenz, Germany and Incheon, Korea, is a leading designer and manufacturer of high performance screw-in hydraulic cartridge valves and manifolds for worldwide industrial and mobile markets.

FORWARD-LOOKING INFORMATION

Certain oral statements made by management from time to time and certain statements contained herein that are not historical facts are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 and, because such statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements, including those in Management's Discussion and Analysis of Financial Condition and Results of Operations are statements regarding the intent, belief or current expectations, estimates or projections of the Company, its Directors or its Officers about the Company and the industry in which it operates, and assumptions made by management, and include among other items, (i) the Company's strategies regarding growth, including its intention to develop new products; (ii) the Company's financing plans; (iii) trends affecting the Company's financial condition or results of operations; (iv) the Company's ability to continue to control costs and to meet its liquidity and other financing needs; (v) the declaration and payment of dividends; (vi) the Company's Year 2000 readiness plans and costs; and (vii) the Company's ability to respond to changes in customer demand domestically and internationally, including as a result of standardization. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that the anticipated results will occur.

Important factors that could cause the actual results to differ materially from those in the forward-looking statements include, among other items, (i) the economic cyclicality of the capital goods industry in general and the hydraulic valve and manifold industry in particular, which directly affect

customer orders, lead times and sales volume; (ii) conditions in the capital markets, including the interest rate environment and the availability of capital; (iii) changes in the competitive marketplace that could affect the Company's revenue and/or cost bases, such as increased competition, lack of qualified engineering, marketing, management or other personnel, and increased labor and raw materials costs; (iv) changes in technology or customer requirements, such as standardization of the cavity into which screw-in cartridge valves must fit, which could render the Company's products or technologies noncompetitive or obsolete; (v) new product introductions, product

sales mix and the geographic mix of sales nationally and internationally; (vi) the Company's ability timely to become Year 2000 ready, including the Company's ability to identify all critical systems that will be impacted by the Year 2000, the Company's ability, in a cost-efficient manner, to correct, upgrade or replace such systems, and the Year 2000 readiness of third parties with which the Company has material relationships; and (vii) changes relating to the Company's international sales, including changes in regulatory requirements or tariffs, trade or currency restrictions, fluctuations in exchange rates, and tax and collection issues. Further information relating to factors that could cause actual results to differ from those anticipated is included but not limited to information under the headings "Risk Factors" in the Form S-1 Registration Statement and Prospectus for the Company's initial public offering, "Business" and "Management's Discussion and Analysis of Financial Condition" in the Company's Form 10-K for the year ended December 31, 1998 and "Management's Discussion and Analysis of Financial Condition" in the Company's Form 10-Q for the quarter ended April 3, 1999. The Company disclaims any intention or obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

SUN HYDRAULICS CORPORATION - JULY 3, 1999
CONSOLIDATED STATEMENTS OF INCOME
(in thousands except per share data)

<TABLE>
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	Three Months Ended		
	July 3, 1999	June 30, 1998	
	----- (unaudited)	----- (unaudited)	
<S>	<C>	<C>	
Net sales	\$ 15,921	\$ 17,584	
Cost of sales	12,982	12,599	
Gross profit	2,939	4,985	
Selling, engineering and administrative expenses	3,068	3,033	
Operating income (loss)	(129)	1,952	
Interest expense	176	231	
Miscellaneous expense (income)	13	(45)	
Income (loss) before income taxes	(318)	1,766	
Income tax provision (benefit)	(125)	586	
Net income (loss) before equity loss in joint venture		(193)	1,180
Equity loss in joint venture	23	--	
Net income (loss)	\$ (216)	\$ 1,180	
Basic net income (loss) per common share	\$ (0.03)	\$ 0.19	
Basic weighted average shares outstanding	6,383	6,339	
Diluted net income (loss) per common share	\$ (0.03)	\$ 0.18	
Diluted weighted average shares outstanding	6,537	6,553	

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2

SUN HYDRAULICS CORPORATION - JULY 3, 1999
CONSOLIDATED STATEMENTS OF INCOME
(in thousands except per share data)

<TABLE>
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	Six Months Ended	
	July 3, 1999	June 30, 1998
	----- (unaudited)	----- (unaudited)
<S>	<C>	<C>
Net sales	\$34,386	\$ 36,717
Cost of sales	26,927	25,946

Gross profit	7,459	10,771	
Selling, engineering and administrative expenses	6,160	6,047	
Operating income	1,299	4,724	
Interest expense	429	491	
Miscellaneous expense (income)	76	(2)	
Income before income taxes	794	4,235	
Income tax provision	230	1,415	
Net income before equity loss in joint venture		564	2,820
Equity loss in joint venture	57	--	
Net income	\$ 507	\$ 2,820	
Basic net income per common share	\$ 0.08	\$ 0.45	
Basic weighted average shares outstanding	6,375	6,332	
Diluted net income per common share	\$ 0.08	\$ 0.43	
Diluted weighted average shares outstanding	6,528	6,524	

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3

CONSOLIDATED BALANCE SHEETS
(in thousands)

<TABLE>
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	July 3, 1999	December 31, 1998	
	-----	-----	
	(unaudited)		
<S>	<C>	<C>	
Assets			
Current assets:			
Cash and cash equivalents	\$ 844	\$ 1,592	
Accounts receivable, net of allowance for doubtful accounts of \$262 and \$169	5,977	5,342	
Inventories	7,367	8,125	
Other current assets	915	891	
Total current assets	15,103	15,950	
Property, plant and equipment, net	44,528	44,003	
Investment in joint venture	189	246	
Other assets	926	820	
Total assets	\$60,746	\$61,019	
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	\$ 2,007	\$ 2,877	
Accrued expenses and other liabilities	1,670	2,065	
Long-term debt due within one year	5,191	4,302	
Notes payable to related parties due within one year	502	578	
Dividends payable	255	254	
Income taxes payable	349	245	
Total current liabilities	9,974	10,321	
Long-term debt due after one year	6,850	6,461	
Notes payable to related parties due after one year	148	566	
Deferred income taxes	3,624	3,656	
Total liabilities	20,596	21,004	
Shareholders' equity:			
Preferred stock	--	--	
Common stock	6	6	
Capital in excess of par value	24,473	24,386	
Retained earnings	15,359	15,363	
Equity adjustment for foreign currency translation	40,150	312	260
Total shareholders' equity	40,150	40,015	
Total liabilities and shareholders' equity	\$60,746	\$61,019	

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4