

PRESS RELEASE

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Farrell Fritz to Represent Gyrodyne Company of America, Inc.

Farrell Fritz, P.C. is pleased to announce that it has been selected to represent Gyrodyne Company of America, Inc. (traded on the NASDAQ, under the Symbol "GYRO") as its general corporate counsel, effective as of January 1, 2005. In such capacity, the Firm will handle Gyrodyne's SEC compliance and such other matters as may be referred to the firm from time to time.

Incorporated in New York in 1946, Gyrodyne Company of America, Inc. (the "Company") was, from its inception and for the next 25 years, engaged in the design, testing, development and production of coaxial helicopters primarily for the US Navy. Following a sharp reduction in the Company's helicopter manufacturing business and its elimination by 1975, the Company began converting its vacant manufacturing facilities and established its rental property operation.

The Company concentrates on the development of its real estate holdings in St. James and Stony Brook, New York. The converted buildings consist of approximately 184,000 rentable square feet housing 59 tenants in space suitable for office, engineering, manufacturing, and warehouse use. This rental property operation is the principal business of the Company and currently represents its primary source of revenue.

The property, which is known as Flowerfield, consists of 314 acres. Approximately 30 acres are utilized for the rental property, and the balance of 284 remain undeveloped. Flowerfield is currently the subject of a development plan to construct an upscale residential golf course community consisting of 336 home sites. The Company also owns a 10.92% limited partnership interest in the 3,500 +/- acre Callery-Judge Grove located in Palm Beach County, Florida.

Robert Creighton, a partner in the firm's Corporate Practice Group, stated: "Farrell Fritz is pleased to have been selected to represent Gyrodyne on a going forward basis. Gyrodyne has a long history on Long Island and has exhibited a strong commitment to the community and to building shareholder value. We look forward to working with the Company to address its legal needs. We anticipate a long and mutually beneficial relationship."

About Farrell Fritz

Farrell Fritz is a full service law firm and has earned a strong reputation in the New York business community by providing expertise in numerous areas of practice. Highly respected for its experience in many areas of law, Farrell Fritz handles legal matters in the areas of corporate and banking, environmental, franchise and distribution, labor and employment, land use and municipal litigation, real estate, tax, and trust and estates matters for a variety of corporations, institutions and individuals. The firm's managing partner is Charles M. Strain. For further information, please visit our website, www.farrellfritz.com.