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GYRODYNE CO OF AMERICA INC
Form 10KSB
July 05, 2005

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549
FORM 10-KSB

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the fiscal year ended APRIL 30, 2005.

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from.....to

Commission file number 0-1684

GYRODYNE COMPANY OF AMERICA, INC.

(Name of small business issuer in its charter)

NEW YORK

11-1688021

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

102 FLOWERFIELD, ST. JAMES, NY

11780

(Address of principal executive offices)

(Zip Code)

Issuer's telephone number (631) 584-5400

Securities registered under Section 12(b) of the Exchange Act: NONE

Securities registered under Section 12(g) of the Exchange Act: COMMON STOCK
\$1.00 PAR VALUE

Check whether the issuer (1) Filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such a 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 No

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB.

The issuer's revenues for its most recent fiscal year were: \$2,039,170

The aggregate market value of the 1,032,317 shares of voting stock held by non-affiliates of the issuer on June 10, 2005 was \$43,099,235. The aggregate market value was computed by reference to the average bid and asked prices of the common stock, on such date, on the NASDAQ system.

The number of shares outstanding of the issuer's Common \$1.00 Par Value stock as of June 10, 2005 was 1,213,678.

DOCUMENTS INCORPORATED BY REFERENCE

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None

Transitional Small Business Disclosure Format (Check One): Yes [] No [X]

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FISCAL YEAR 2005

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PART I

Item 1 Description of Business

(a) Business Development

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 design, testing, development, and production of coaxial helicopters primarily for the US Navy. Following a sharp reduction in the Company's helicopter manufacturing

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business and its elimination by 1975, the Company began converting its vacant manufacturing facilities and established its rental property operation.

The Company concentrates its efforts on the development of its real estate holdings in St. James and Stony Brook, New York. The converted buildings consist of approximately 178,890 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 sole 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. Due to the announced intentions by Stony Brook University (the "University") to condemn a major portion of the Flowerfield property, the approval process to secure the appropriate development rights has been delayed in the local municipalities.

The University has indicated that it plans to acquire 246 acres of the Company's 314 acre Flowerfield property through either a negotiated purchase or eminent domain. A public hearing was held by the University on June 21, 2004 and the Company has since commenced certain litigation to challenge the authority of the University to acquire property by eminent domain and the amount of acreage as excessive for the University's intended purpose. In a decision dated April 25, 2005, the court rendered a decision that the University had complied with the applicable standards and issued a decision in favor of the University. On June 8, 2005, the Company appealed this decision. The Company cannot predict what the ultimate effect will be on the Company as a result of the University's actions. See, "Item 1(b) Business of Issuer, Real Estate," and "Item 3, Legal Proceedings."

Neither the Company nor any of its subsidiaries have ever been in any bankruptcy, receivership or similar proceeding.

References to the Company contained herein include its wholly owned subsidiaries, except where the context otherwise requires.

(b) Business of Issuer

The Company manages its real estate operation and is a passive investor as a limited partner in the Callery Judge Grove, L.P. which owns a large citrus grove in Palm Beach County, Florida. The Company currently has a total of 9 full time employees involved in support of the real estate operation and development plans. Competition among industrial and office rental properties on Long Island is intense. There are numerous commercial properties that compete with the Company in attracting tenants, many of which are substantially larger than the Company. See Item 2 below for a further discussion regarding dependence on major tenants.

Real Estate

Gyrodyne owns a 314 acre site, primarily zoned for light industry, and is located approximately 50 miles east of New York City on the north shore of Long Island. Flowerfield's location also places it in hydrological zone VIII, one of the most liberal with respect to effluent discharge rates.

The Flowerfield property is bisected by the town lines of Smithtown and Brookhaven Townships. The existing buildings and approximately 132 acres are located in the hamlet of St. James, Township of Smithtown, and the contiguous balance of approximately 182 acres is located in the hamlet of Stony Brook, Township of Brookhaven. The vacant property in St. James and Stony Brook is one

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of the largest undeveloped industrially zoned parcels on Long Island. During the latter part of fiscal 2002, the Company entered into a contract of sale in the amount of \$5,370,000 for 12 acres and buildings related to an existing tenant's catering facility. That transaction was completed in August, 2002 and the total acres referred to above reflect that sale.

Environmental studies have been updated and numerous other studies including archeological, ecological, and traffic have been conducted in connection with development plans -- all with no significant adverse findings. The Company believes that it does not incur material costs in connection with compliance with environmental laws. During fiscal year 2005, the Company had no material expenses related to environmental issues.

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During the past four years, several evaluations of highest and best use for the property have resulted in the adoption of the plan to develop an upscale residential golf course community at Flowerfield.

In that regard, Gyrodyne executed agreements with DPMG, Inc., dba Landmark National ("Landmark") to design and develop an 18 hole championship golf course community at Flowerfield. The contractual arrangements with Landmark were included as exhibits to the Company's 2002 10-KSB annual report. Having completed the design phase for both the golf course and the residential components of the development plan, the Company filed its applications for a change of zone to achieve the appropriate entitlements. Those applications were filed in the Towns of Brookhaven and Smithtown in October, 2002 and June, 2003, respectively.

As mentioned in Item 1(a) above, progress in obtaining the required approvals has been delayed due to the fact that, in April, 2003, the Board of Trustees of the State University of New York adopted a resolution which empowered the University to commence eminent domain proceedings to acquire part of the Company's Flowerfield property through condemnation. This action followed statements of interest by the University to purchase the property for a range of values that in management's opinion, were clearly below its market value. In a filing dated May 21, 2004, the University announced the completion of a Draft Generic Environmental Impact Study (DGEIS) which outlined its plan to acquire 246 acres of the Flowerfield property through either a negotiated transaction or eminent domain proceedings. Since no genuine attempt to negotiate a transaction has been forthcoming, the Company is not in a position to comment on any such proposal. On June 21, 2004, as required by law, the University held a public meeting to review the DGEIS and its plan to acquire the 246 acres of the Flowerfield property for the purpose of developing a Research and Development Campus. Immediately following that meeting, the Company filed a lawsuit in New York State Supreme Court challenging the University's proposed taking of the property. The Court concluded that the University's condemnation of part of the Flowerfield property could proceed. The Appellate Division of the New York State Supreme Court, 2nd Department, upheld the lower court decision. The Company is seeking an appeal of the Court's decision.

Limited Partnership Investment in Callery-Judge Grove, L.P. (the "Grove")

The Company's initial participation in the Grove through its wholly owned subsidiary, Flowerfield Properties, Inc., represented a 20% limited partner's interest in the Grove. Based on three subsequent capital infusions in which the Company did not participate, the Company's share is now approximately 10.93%. At the time of the capital infusions, Management had determined that funding the development of the Flowerfield property was a priority when compared with this

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alternative investment opportunity.

The original limited partner investment of \$1.1 million, which was made in 1965, has since yielded distributions of approximately \$5.5 million in the aggregate. Due to recurring losses of the Grove, the investment is carried on the books of the Company at \$0 as a result of recording the Company's pro-rata share of losses under the equity method of accounting. In fiscal 2000, when the Company's share of losses equaled the carrying value of the investment, the equity method of accounting was suspended, and no additional losses have been charged to operations.

Major Customers

For the year ended April 30, 2005, rental income from the three largest tenants represented 14%, 13% and 10% of total rental income. For the year ended April 30, 2004, rental income from the three largest tenants represented 17%, 13% and 12% of total rental income.

Item 2 Description of Property

(b) Investment Policies

The Company's policy has been to primarily hold its commercially developed rental real estate for income and to hold its other real estate investments for future development and/or sale. The Company has not recently made any new real estate investments. Although the Company does not invest regularly in real estate mortgage loans, the Company holds a purchase money mortgage loan on the 12 acre parcel sold to a former tenant in 2002, as described above. As a result of prepayments by this tenant, the balance at April 30, 2005 was \$1.3 million. The mortgage loan bears interest at 5% per annum with interest only payments due quarterly until August 2005, when the entire unpaid principal balance and accrued interest is due and payable. The mortgaged property includes industrial and residentially zoned property and includes a catering facility, a single family residence, an office building and vacant land.

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(c) Description of Real Estate and Operating Data

The Company owns a 314 acre tract of land located on the north shore of Suffolk County, Long Island, New York. The Company currently has approximately 178,890 square feet of rental space and has 59 tenants.

The land is carried on the Company's balance sheet at cost in the amount of \$796,451 while the buildings and improvements are carried at a depreciated cost of \$651,651. Prior to May 29, 2003, the property and buildings were unencumbered, except for Building #7 and the surrounding 6 1/2 acres, which were encumbered by a 10 year collateral mortgage in the amount of \$1,050,000. On May 29, 2003, the Company restructured its debt by securing a revolving line of credit in the amount of \$1,750,000. The existing mortgage, as described above, was satisfied and the outstanding balance of \$622,868 was incorporated into the newly established credit facility. This outstanding balance was reduced to zero as of April 30, 2005. Collateral for the credit line consists of the same 6 1/2 acres and Building #7.

The average age of all the buildings is approximately 45 years and the facilities continually undergo maintenance repair cycles for roofs, paved areas,

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and building exteriors. The general condition of internal infrastructure, HVAC, electrical, and plumbing is considered above average for facilities of this age. The grounds feature extensive landscaping, are neatly groomed and well maintained.

There are five main building groups with rental unit sizes ranging from 130 to 27,774 square feet. Given the location and size of rental units, the Flowerfield Industrial Park attracts many smaller companies that are not dependent on extensive material or product handling. The Port Jefferson Branch of the Long Island Railroad runs through, and benefits from an easement on, the property.

The Company currently maintains a \$100 million dollar liability umbrella policy and has insured certain buildings and rent receipts predicated on an analysis of risk, exposure, and loss history. It is Management's opinion that the premises are adequately insured.

The following table sets forth certain information as of April 30, 2005 for the total Company property:

Property -----	Rentable Square Feet ----	Percent Leased -----	Annual Base Rent ----	Annual Base Rent Per Leased SQ. FT. -----	Number Of Tenants -----	Number Of Tenants Who Occupy 10% Or More Of Rentable Sq. -----
St. James, N.Y.	178,890	84%	\$1,944,032	\$10.87	59	1

The Company has one tenant with over 10% of the rentable square footage. The principal nature of this tenant's business is doing background security checks on individuals as well as working with insurance companies by providing photo inspections of vehicles for collision insurance. The principal provisions of their lease include the rental of 27,774 square feet of space with an annual base rent of \$293,604. This specific lease has been renewed on a short term basis over the past several years with the current lease expiring on November 30, 2005.

The following table sets forth the Company's lease expiration table as of April 30, 2005:

Fiscal Year End -----	Number of Leases Expiring -----	Square Feet Expiring -----	Total Annual Rent ----	% of Gross Annual Rental Represented By Such Leases -----
2006	56	135,941	\$1,745,164	89.8%
2007	1	1,042	\$12,348	0.6%
2008	1	420	\$4,800	0.3%
2020	1	12,980	\$181,720	9.3%

The Company's property is zoned for light industrial use and is located in the hamlets of St. James and Stony Brook, New York. The federal tax basis depreciation approximates the GAAP basis. Depreciation for tax purposes is being recorded on a double declining balance method. The estimated useful lives for buildings and improvements range from 10 to 30 years.

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Item 3 Legal Proceedings

As described earlier in this report, Stony Brook University has announced plans to acquire 246 acres of the Company's 314 acre Flowerfield property through either a negotiated purchase or eminent domain. A public hearing was held by the University on June 21, 2004 and the Company has since commenced certain litigation to challenge the University's authority to commence a condemnation proceeding and to claim that the acreage is excessive for the intended purpose. On April 25, 2005, the court rendered a decision in favor of the University, finding that the University had complied with applicable standards. On June 8, 2005, the Company appealed the decision. The Company cannot predict what the ultimate effect will be on the Company as a result of the University's actions.

In addition, in the normal course of business, the Company is a party to various legal proceedings. After reviewing all actions and proceedings pending against or involving the Company, Management considers the aggregate loss, if any, will not be material.

Item 4 Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of Fiscal Year 2005.

PART II

Item 5 Market for Common Equity, Related Stockholder Matters and Small Business Issuer Purchases of Equity Securities

(a) Market information

The Company's Common Stock, \$1 Par Value (symbol: "GYRO") is traded in the NASDAQ Small-Cap Market. Since June 10, 1948, the NASDAQ Small-Cap Market has been the principal market in which the Company's stock is publicly traded. Set forth below are the high and low sales prices for the Company's stock for each full quarter within the two most recent fiscal years:

Quarter Ended	Sales Price Low	Sales Price High
Fiscal 2004		
July 31, 2003	\$16.72	\$24.50
October 31, 2003	\$21.00	\$26.00
January 31, 2004	\$22.73	\$28.10
April 30, 2004	\$26.40	\$28.28
Fiscal 2005		
July 31, 2004	\$27.00	\$35.15
October 31, 2004	\$30.00	\$36.90
January 31, 2005	\$34.00	\$39.75
April 30, 2005	\$34.00	\$44.00

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- (b) Approximate Number of Equity Security Holders, including shares held in Street name by brokers.

Title of Class	Number of Holders of Record as of June 10, 2005
Common Stock, \$1.00 Par Value	899

- (c) There were no cash dividends declared on the Company's Common Stock in the fiscal years ended April 30, 2005 and April 30, 2004.
- (d) Equity Compensation Plan Information. See Item 11 for information regarding the Company's equity compensation plans and footnote 6 to the financial statements for a description of the Company's stock option plans.

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Item 6 Management's Discussion and Analysis or Plan of Operation

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

The statements made in this Form 10-KSB that are not historical facts contain "forward-looking information" within the meaning of the Private Securities Litigation Reform Act of 1995, and Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, both as amended, which can be identified by the use of forward-looking terminology such as "may," "will," "anticipates," "expects," "projects," "estimates," "believes," "seeks," "could," "should," or "continue," the negative thereof, other variations or comparable terminology. Important factors, including certain risks and uncertainties, with respect to such forward-looking statements that could cause actual results to differ materially from those reflected in such forward-looking statements include, but are not limited to, the effect of economic and business conditions, including risks inherent in the Long Island, New York and Palm Beach County, Florida real estate markets, the ability to obtain additional capital in order to develop the existing real estate and other risks detailed from time to time in our SEC reports. We assume no obligation to update the information in this Form 10-KSB.

Critical Accounting Policies

The consolidated financial statements of the Company include accounts of the Company and all majority-owned and controlled subsidiaries. The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions in certain circumstances that affect amounts reported in the Company's consolidated financial statements and related notes. In preparing these financial statements, management has utilized information available including its past history, industry standards and the current economic environment, among other factors, in forming its estimates and judgments of certain amounts included in the consolidated financial statements, giving due consideration to materiality. It is possible that the ultimate outcome as anticipated by management in formulating its estimates inherent in these financial statements might not materialize. However, application of the critical accounting policies below involves the exercise of judgment and use of assumptions as to future uncertainties and, as a result, actual results could differ from these estimates. In addition, other companies may utilize different estimates, which may impact comparability of the Company's results of operations to those of companies in similar businesses.

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Revenue Recognition

Rental revenue is recognized on a straight-line basis, which averages minimum rents over the terms of the leases. The excess of rents recognized over amounts contractually due, if any, are included in deferred rents receivable on the Company's balance sheets. Certain leases also provide for tenant reimbursements of common area maintenance and other operating expenses and real estate taxes. Ancillary and other property related income is recognized in the period earned.

Real Estate

Rental real estate assets, including land, buildings and improvements, furniture, fixtures and equipment, are recorded at cost. Tenant improvements, which are included in buildings and improvements, are also stated at cost. Expenditures for ordinary maintenance and repairs are expensed to operations as they are incurred. Renovations and/or replacements, which improve or extend the life of the asset are capitalized and depreciated over their estimated useful lives.

Depreciation is computed utilizing the straight-line method over the estimated useful lives of ten to thirty years for buildings and improvements and three to twenty years for machinery and equipment.

The Company is required to make subjective assessments as to the useful lives of its properties for purposes of determining the amount of depreciation to reflect on an annual basis with respect to those properties. These assessments have a direct impact on the Company's net income. Should the Company lengthen the expected useful life of a particular asset, it would be depreciated over more years, and result in less depreciation expense and higher annual net income.

Real estate held for development is stated at the lower of cost or net realizable value. In addition to land, land development and construction costs, real estate held for development includes interest, real estate taxes and related development and construction overhead costs which are capitalized during the development and construction period.

Net realizable value represents estimates, based on management's present plans and intentions, of sale price less development and disposition cost, assuming that disposition occurs in the normal course of business.

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Long Lived Assets

On a periodic basis, management assesses whether there are any indicators that the value of the real estate properties may be impaired. A property's value is impaired only if management's estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property are less than the carrying value of the property. Such cash flows consider factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other factors. To the extent impairment occurs, the loss will be measured as the excess of the carrying amount of the property over the fair value of the property.

The Company is required to make subjective assessments as to whether there are impairments in the value of its real estate properties and other investments. These assessments have a direct impact on the Company's net income, since an

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impairment charge results in an immediate negative adjustment to net income. In determining impairment, if any, the Company has adopted Financial Accounting Standards Board ("FASB") Statement No. 144, "Accounting for the Impairment or Disposal of Long Lived Assets."

Stock-Based Compensation

The Company applies the intrinsic value-based method of accounting prescribed by Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations, to account for stock-based employee compensation plans and reports pro forma disclosures in its Form 10-KSB filings by estimating the fair value of options issued and the related expense in accordance with SFAS No. 123. Under this method, compensation cost is recognized for awards of shares of common stock or stock options to directors, officers and employees of the Company only if the quoted market price of the stock at the grant date (or other measurement date, if later) is greater than the amount the grantee must pay to acquire the stock.

RESULTS OF OPERATIONS FOR THE YEAR ENDED APRIL 30, 2005 AS COMPARED TO THE YEAR ENDED APRIL 30, 2004

The Company is reporting a net loss of \$137,648 for the year ended April 30, 2005 compared to a net loss of \$113,466 for the prior year. Diluted per share losses amounted to (\$0.12) and (\$ 0.10) for fiscal 2005 and 2004, respectively.

Revenue from rental property amounted to \$2,039,170, a 2% decline of \$47,517 to the \$2,086,687 posted during the prior year. Both periods were impacted by renegotiated terms with two major tenants. Those adjustments, which reduced the 2005 results by \$125,684, were partially mitigated by new tenant leases and annual incremental adjustments totaling \$78,167.

Rental property expenses increased by \$223,015 or 29%, amounting to \$996,784 in fiscal 2005. The prior year expenses amounted to \$773,769. Of that total increase, \$220,126 is attributable to operating and maintenance costs. Salaries and benefits, including nonrecurring expenses of \$26,830 associated with an early retirement package, increased by \$46,364. Real estate taxes and the cost of fuel oil increased by \$11,863 and \$22,910, respectively. In addition, the Company experienced a \$93,030 increase in property and casualty insurance premiums and a \$59,585 expense associated with remedial treatment of our septic and storm drainage systems. A number of other operating expenses, including utilities, building, grounds, and equipment maintenance, reflected decreases totaling \$11,567; the largest contributing factor was a decrease in utility expense of \$7,628 for the year.

As a result, income from rental property amounted to \$1,042,386, representing a \$270,532 or 21% decline when compared to the prior year total of \$1,312,918. Based on the fact that some of the contributing factors to the decline this year were nonrecurring in nature, we anticipate that income from our rental property operation will be restored to the fiscal 2004 levels.

General and administrative expenses reflect an increase of 12% for the current reporting period, amounting to \$1,823,847 compared to \$1,628,344 for the prior year; an increase of \$195,503. Corporate governance expenses, which totaled \$330,374 for the year, increased by \$208,833 for the reporting period. A major portion of this increase is attributable to the establishment of a Shareholders Rights Plan which accounted for \$130,345. Other issues relating to shareholder filings and SEC requirements for publicly traded companies accounted for \$34,666 and \$43,822 of the increase, respectively. Other increases included Directors fees and bad debt expense which increased by \$9,794 and \$9,000, respectively. Finally, as activities surrounding the Company's investment in the Florida grove property increased, so too did our need to incur additional travel expense and

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make regular visits to the area. In an effort to keep abreast of developments in the industry, management also attended several corporate governance and real estate related seminars. The cost of all of these activities accounted for \$21,927 of the increased expenses. Offsetting some of the increase in general and administrative expenses was an overall decrease in salaries and benefits and costs associated with the Company's pension plan. Salaries and benefits decreased by \$40,947, reflecting the fact that there was no stock option expense in the current period; in fiscal 2004, that expense amounted to \$76,606. The Company's pension expense, which amounted to \$226,109 in fiscal 2005, decreased by \$10,761 when compared to the prior year. We anticipate that the cost associated with the plan will be reduced by an additional \$100,000 for the fiscal 2006 period.

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Net of general and administrative expenses, the Company experienced an operating loss of \$781,461 compared to a loss of \$315,426 for the prior year.

Other income increased by \$440,326, amounting to \$552,047 and \$111,721 for fiscal 2005 and 2004, respectively. The major contributing factor to this increase was the recognition of principal prepayments to a \$1.8 million mortgage held by the Company which amounted to \$437,194. The balance of the mortgage, \$1.3 million as of April 30, 2005, matures in August 2005.

As a result of the foregoing, the Company experienced a loss before taxes of \$229,414 for the period ending April 30, 2005, compared to a loss of \$203,705 for the prior year.

LIQUIDITY AND CAPITAL RESOURCES

Net cash used in operating activities was \$1,130,127 and \$1,067,419 in fiscal 2005 and 2004, respectively. The principal use of cash in both periods was funds used in connection with planning and pre-construction costs associated with land development plans for the golf course community. The Company also incurred costs included in the capitalized land development costs pertaining to legal, and communication costs to shareholders and the community regarding the potential condemnation of the Company's real estate property by the University.

Net cash provided by (used in) investing activities was \$449,042 and (\$29,754) in fiscal 2005 and 2004, respectively. The cash provided by investing activities in the current period represents a prepayment of \$500,000 to the Company's mortgage receivable as well as proceeds from the sale of heavy equipment for \$12,000. The use of cash in both periods was for capital expenditures.

Net cash (used in) provided by financing activities was (\$37,153) and \$428,499 in fiscal 2005 and 2004, respectively. The net cash (used in) both periods were a result of the Company's repayment of loans payable. The net cash provided during the current and prior period was primarily the result of proceeds from the exercise of stock options. The prior period's results also reflect the refinancing of mortgage debt on the Flowerfield property. The Company has a \$1,750,000 revolving credit line with a bank, bearing interest at a rate of prime plus one percent which was 6.75% at April 30, 2005. The unused portion of the credit line, which is the total line of \$1,750,000, will enhance the Company's financial position and liquidity and is available, if needed, to fund any unforeseen expenses.

As of April 30, 2005, the Company had cash and cash equivalents of \$844,405 as well as a mortgage receivable of \$1,300,000 due on August 8, 2005 and anticipates having the capacity to fund normal operating and administrative expenses and its regular debt service requirements. To date, expenses associated

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with the development of the Flowerfield property, which have been capitalized, total \$4,432,766. As of April 30, 2005, the portion of those expenses attributable to the residential golf course community amount to \$2,219,128. Working capital, which is the total of current assets less current liabilities as shown in the accompanying chart, amounted to \$1,871,701 at April 30, 2005.

The following table presents the Company's working capital for the fiscal years 2005 and 2004:

	April 30,	
	2005	2004
Current assets:		
Cash and cash equivalents	\$844,405	\$1,562,643
Rent receivable, net	62,309	93,082
Mortgage receivable	1,300,000	0
Net prepaid expenses and other assets	106,464	125,170

Total current assets	2,313,178	1,780,895

Current liabilities:		
Accounts payable and accrued expenses	204,782	232,809
Tenant security deposits payable	229,284	194,976
Current portion of loans payable	7,411	9,808
Income tax payable	0	28,306

Total current liabilities	441,477	465,899

Working capital	\$1,871,701	\$1,314,996
	=====	

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During fiscal 2004, the Company restructured an outstanding mortgage loan on the Flowerfield property. That loan was satisfied and incorporated into a newly established revolving credit line in the amount of \$1,750,000 at prime plus one percent. At April 30, 2005, the Company had no outstanding indebtedness against this credit facility. Additionally, the Company holds a \$1.8 million purchase money mortgage loan in connection with the sale of certain buildings and 12 acres during fiscal 2003. The mortgage loan bears an interest rate of 5% and matures in August, 2005.

The following table presents the Company's expected cash requirements for contractual obligations outstanding as of April 30, 2005:

Contractual Obligation	Total	Payments Due By Period			
		Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
Long-term Debt	\$19,145	\$7,411	\$11,734	-	-
Operating Lease	55,104	55,104	-	-	-

Total Contractual Obligations	\$74,249	\$62,515	\$11,734	-	-

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LIMITED PARTNERSHIP INVESTMENT

The Company has a limited partnership investment in the Callery-Judge Grove located in Palm Beach County, Florida. The investment represents a 10.93% ownership in a limited partnership that owns a 3,500+ acre citrus grove. The property is the subject of a plan for a mixed use of residential, commercial, and industrial development which is under review by the local municipal authorities. The Company is accounting for the investment under the equity method. As of April 30, 2005 the carrying value of the Company's investment was \$0. Based upon the most recent independent third party appraisal, which was conducted by Pinel Appraisal Services, Inc. in June 2004, the Company's investment has a current estimated fair value of approximately \$8.3 million. In the latter part of 2003, the Scripps Research Institute headquartered in La Jolla, California, announced that it would be developing a major east coast center on property located 4.5 miles north of the Callery-Judge Grove. Although the Company believes, based on press reports, that this announcement has been the catalyst behind the sale of thousands of acres of land to national developers in the general vicinity of the Grove, we have no current forecast of the likelihood of, or the timing required to achieve approvals for, the development of the Grove.

DEVELOPMENT OF FLOWERFIELD PROPERTY

The Company is party to two contractual agreements with Landmark National to design and develop an 18 hole championship golf course community with 336 home sites on the Company's 314 acre Flowerfield property located in Stony Brook / Saint James, New York. Those contractual agreements were exhibited in our April 30, 2002 10-KSB filing. The golf course agreement calls for monthly payments of \$5,000 with a maximum total of \$150,000. At April 30, 2005, the Company has paid this obligation in full. Additionally, there is a one-time fee of \$100,000 for a grading report on the course layout, which was completed and paid during fiscal 2003. The residential land planning and design contract includes monthly payments of \$10,000 with a maximum payment totaling \$300,000. At April 30, 2005, the Company has also paid this obligation in full. Landmark is also entitled to a construction management fee of 4.5% of construction costs. The balance of Landmark's compensation is incentive driven and based on a 10% participation in future profits from the residential golf course development. Additionally, in a separate agreement for the future, Landmark is under contract to manage the completed golf and clubhouse facilities under a long-term management agreement. The annual fee for such service is \$100,000 commencing upon completion of the golf and clubhouse facilities. The contracts also provide for termination fees, currently amounting to \$500,000, which are more clearly defined in Note 11 to the financial statements. Various required exhibits, including an archaeological report and economic and traffic impact studies have been completed and applications have been filed with the Towns of Brookhaven and Smithtown seeking the appropriate change of zone to accommodate the development plan. Those applications are being pursued and the Company had its first public hearing in the Town of Smithtown in February 2004. Due to the announced intentions by the University to condemn a major portion of the Flowerfield property, the approval process to secure the appropriate development rights has been delayed in the local municipalities.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements that have or are reasonably likely to

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have a current or future effect on our financial conditions, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Item 7 Financial Statements

See Consolidated Financial Statements and accompanying Notes to Consolidated Financial Statements commencing on the Contents page followed by Page F-1.

Consolidated Financial Statements include:

- (1) Report of Independent Registered Public Accounting Firm
- (2) Consolidated Balance Sheets as of April 30, 2005 and April 30, 2004
- (3) Consolidated Statements of Operations for the years ended April 30, 2005 and April 30, 2004
- (4) Consolidated Statement of Stockholders' Equity for the years ended April 30, 2005 and April 30, 2004
- (5) Consolidated Statements of Cash Flows for the years ended April 30, 2005 and April 30, 2004
- (6) Notes to Consolidated Financial Statements
- (7) Schedules
 - (a) The information required by the following schedules has been included in the financial statements, is not applicable, or not required:
Schedule I, II, III, IV, V, VI, VII, VIII, IX, X, XI, XII and XIII.

Item 8 Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There have been no changes in, or disagreements on any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedure, with the Company's principal independent accountant for the fiscal period ended April 30, 2005.

Item 8A Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this report. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer has concluded that the disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports the Company files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

There have been no significant changes in the Company's internal control over financial reporting identified in connection with the evaluation that occurred during the Company's last fiscal quarter that have materially affected, or that are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Item 8B Other Information

None.

PART III

Item 9 Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act.

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- (a) The following table lists the names, ages and positions of all executive officers and directors and all persons nominated or chosen to become such. Each director has been elected to the term indicated. Directors whose term of office ends in 2005 shall serve until the next Annual Meeting of Stockholders or until their successors are elected and qualified.

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Name & Principal Occupation or Employment	Age	First D
Stephen V. Maroney President, CEO, CFO, Treasurer, and Director of the Company	63	
Peter Pitsiokos COO, Secretary, Chief Compliance Officer & General Counsel of the Company	46	
Frank D'Alessandro Controller of the Company	59	
Paul L. Lamb Partner of Lamb & Barnosky, LLP Chairman of the Board of Directors of the Company	59	
Robert H. Beyer Consultant Director of the Company	72	
Philip F. Palmedo Chairman of International Resources Group Director of the Company	71	
Elliot H. Levine CPA and Senior Member of Levine & Seltzer, LLP Director of the Company	52	
Richard B. Smith Consultant Director of the Company	50	
Ronald J. Macklin Assistant General Counsel for KeySpan Corporate Services Director of the Company	43	

(b) Business Experience

Stephen V. Maroney, age 63, was initially engaged by the Company as an outside consultant in June 1996 and elected to the Board of Directors in July of that same year. Mr. Maroney is the former President of Extebank, a Long Island based commercial bank with a presence in Nassau and Suffolk Counties and New York City. Prior to that appointment, he served as Extebank's Chief Financial Officer. Mr. Maroney was appointed to the position of President, CEO and Treasurer by the Gyrodyne Board of Directors on March 14, 1999. His career on Long Island spans a period of over 40 years and includes involvement in numerous

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civic, charitable and professional organizations.

Peter Pitsiokos, age 46, joined the Company in July 1992 as its Assistant Secretary and General Counsel and has been the Company's Chief Operating Officer and Chief Compliance Officer since 2004. He has also been Secretary and General Counsel of the Company for over five years. Mr. Pitsiokos was formerly the Executive Assistant District Attorney in Suffolk County, New York. He also served as the Assistant Director of Economic Development and the Director of Water Resources in the Town of Brookhaven. He holds a Law degree from Villanova University and a BA degree from the State University of New York at Stony Brook.

Frank D'Alessandro, age 59, joined the Company in March 1997 as its Controller. Prior to joining the Company, he was Controller of Cornucopia Pet Foods Inc., a distributor of all natural pet foods. Previous to that he spent many years in various financial positions. Mr. D'Alessandro holds an MBA degree in Finance as well as a BBA in Accounting, both from Hofstra University.

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Paul L. Lamb, age 59, has been a Director since 1997 and became Chairman of the Board on March 14, 1999. He is a founding partner in the law firm of Lamb & Barnosky, LLP; a past President of the Suffolk County Bar Association; and a Dean of the Suffolk Academy of Law. He holds a B.A. from Tulane University, a J.D. from the University of Kentucky and an LL.M. from the University of London, England.

Robert Beyer, age 72, has been a Director of the company since November 1977. He is also a Director of the Company's subsidiaries. He retired from the United States Naval Reserve in 1993 with the rank of Captain. He retired from his position as Senior Inertial Systems Engineer with the Naval Air Systems Command in 1998. He has an electrical engineering degree from New York University and a graduate degree in International Business from Sophia University in Tokyo, Japan. Mr. Beyer was employed by Gyrodyne from 1962-1973. He was stationed in Japan as a Technical Representative for the Company's remotely piloted helicopters from 1963 to 1970.

Philip F. Palmedo, age 71, was appointed to the Board of Directors in July 1996. Mr. Palmedo is Chairman of International Resources Group and former President of the Long Island Research Institute. He has shepherded numerous fledgling businesses into the financial and technological markets completing several financing and joint venture technology agreements. He has M.S. and Ph.D. degrees from M.I.T.

Elliot H. Levine, age 52, was appointed to the Board of Directors in October 2004. Mr. Levine is a founding member of the accounting firm Levine & Seltzer, LLP Certified Public Accountants, a graduate (1975) of Queens College, City University of New York. He became a member of the American Institute of Certified Public Accountants in February, 1978. Mr. Levine's work experience includes five years at Arthur Young, ten and a half years as partner and director of taxes of Leslie Sufirin & Co. P.C., a one year tenure as senior tax manager at Margolin, Winer & Evans CPAs and 12 years as senior member of Levine & Seltzer.

Richard B. Smith, age 50, was appointed to the Board of Directors in November 2002. He served as Senior Vice President for Private Banking at Suffolk County National Bank until February, 2005. Previously, he worked for 10 years at Key Bank (Dime Savings Bank) and for 3 years at L.I. Trust/Apple Bank. He received an MBA in Finance from SUNY Albany in 1983. Mr. Smith serves as the Mayor of the Incorporated Village of Nissequogue and as a Trustee of the Smithtown Historical Society and also serves as a Trustee for St. Catherine's Medical Center in

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Smithtown, NY.

Ronald J. Macklin, age 43, was appointed to the Board of Directors in June 2003. Mr. Macklin currently serves as Assistant General Counsel for KeySpan Corporate Services where he has held various positions within the Office of General Counsel from 1991 to present. Previously, he was associated with the law firms of Roseman & Colin and Cullen & Dykman. He received a B.A. degree from Stony Brook University and his Juris Doctorate from Union University's Albany Law School.

(c) Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Exchange Act requires that the Company directors, executive officers, and any person holding more than ten percent ("10% Holder") of Gyrodyne Common Stock, \$1.00 par value per share, file with the SEC reports of ownership changes, and that such individuals furnish the Company with copies of the reports.

Based solely on our review of copies of Forms 3 and 4 received by us, during fiscal 2005 and Forms 5 and amendments there to received by us with respect to fiscal 2005 or written representations from certain reporting persons, that no Form 5 is required. Gyrodyne believes that none of the Company's executive officers, directors or 10% Holders failed to file on a timely basis reports required by section 16(a) of the Exchange Act during fiscal 2005 or prior fiscal years.

(d) Audit Committee Financial Expert

The Board of Directors has a standing Audit Committee established in accordance with section 3(a) (58)(a) of the Exchange Act, which currently consists of Messrs. Smith, Levine and Macklin. All members are "financially literate" and have been determined to be "independent" within the meaning of SEC regulations and NASDAQ rules. At least one member, Mr. Levine, a CPA, qualifies as an "audit committee financial expert" as a result of relevant experience as a partner in the accounting firm of Levine & Seltzer, LLP. In addition, Mr. Levine has 10.5 years of accounting experience as a partner and director of taxes at Leslie Sufrin & CO. P.C. as well as several other years of experience in the field of public accounting.

(e) Code of Ethics

The Company has adopted a written Code of Ethics that applies to all of its directors, officers and employees. It is available on the Company's website at www.gyrodyne.com and shareholders may obtain a paper copy by writing to the Secretary at the address set forth on page 1. Any amendments to the Code of Ethics, or waiver thereof, will be disclosed on the website promptly after this date.

Item 10 Executive Compensation

(a) Executive Compensation

During the fiscal years ended April 30, 2005, April 30, 2004, and April 30, 2003, two directors or officers received remuneration in excess of \$100,000 in such capacity.

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SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation			Long term Comp Awards	
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Restricted Stock Awards (\$)	Securit Underl Options (#)
Stephen V. Maroney President & CEO	2005	209,500	0	29,688 (A)	0	
	2004	209,500	0	49,628 (A)	0	17,
	2003	209,500	0	22,422 (A)	0	20,
Peter Pitsiokos COO, and Secretary	2005	152,500	10,000	0	0	
	2004	152,500	0	70,188 (B)	0	13,
	2003	148,990	0	17,797 (B)	0	13,

(A) In FY 05, Mr. Maroney exercised 1,375 director options and received an equal number of shares with a value of \$29,688. In FY 04, Mr. Maroney exercised 4,125 director options and received an equal number of shares with a value of \$49,628. In FY 03, Mr. Maroney received 1,430 shares from stock awards granted with a value of \$22,422. The Registrant has concluded that aggregate amounts of perquisites and other personal benefits, securities or property to any of the current executives does not exceed the lesser of \$50,000 or 10% of the total of annual salary and bonuses reported above for such named executive officers, and that the information set forth in tabular form above is not rendered materially misleading by virtue of the omission of such personal benefits.

(B) In FY 04, Mr. Pitsiokos exercised 6,600 options with SAR's and received 2,922 shares with a value of \$70,188. In FY 03, Mr. Pitsiokos received 1,135 shares from stock awards granted with a value of \$17,797.

During the fiscal year ended April 30, 2005, there were no Option/SAR Grants issued to any directors or officers.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR

AND FY-END OPTION/SAR VALUES

Name	Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options/SAR's at April 30, 2005 Exercisable/Unexercisable	Ex
Stephen V. Maroney President and CEO	7,946	\$178,971	64,530/0	

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Peter Pitsiokos COO and Secretary	31,600	\$814,859	0/0
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(b) Compensation of Directors

Each Director is entitled to receive a fee of \$12,000 a year, \$1,000 per Board meeting attended and \$500 for each Committee meeting attended and is reimbursed for travel and Company business related expenses. In addition, the Chairman of the Board is entitled to receive a Chairman's fee of \$24,000 a year which commenced in September, 2004. The Company continued its policy which states that Directors who are also employees of the Company do not receive any additional compensation for their services as Directors.

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(c) Employment Contracts

Effective January 23, 2003, the Company entered into an amended and restated employment agreement with Stephen V. Maroney as President, Chief Executive Officer, and Treasurer and Peter Pitsiokos as Executive Vice President, Secretary, and General Counsel. Their annual salaries are currently at \$209,500 and \$152,500, respectively. The terms of the agreements were extended from one to three years, contain evergreen provisions, and provide for a severance payment equivalent to three years salary in the event of a change in control. Both agreements were attached as Exhibit 10, Material Contracts, in the 10-QSB dated January 31, 2003.

Item 11 Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

(a) The following table sets forth certain information as of June 10, 2005 regarding the beneficial ownership of our common shares by (i) each person who we believe to be beneficial owner of more than 5% of our outstanding common shares, (ii) each present director, (iii) each person listed in the Summary Compensation Table under "Executive Compensation," and (iv) all of our present executive officers and directors as a group.

Name and Address ----- Of Beneficial Owner -----	Number of ----- Shares Beneficially ----- Owned -----	Percent of ----- Class (12) -----
 ----- More Than 5% Shareholders -----		
Gerard Scollan 80 Browns River Road Sayville, NY 11782	103,741 (1)	8.55
Gyrodyne Company of America, Inc. St. James, NY 11780	67,580 (2)	5.57
Private Capital Management, Inc. 8889 Pelican Bay Blvd., Suite 500 Naples, Florida 34108	74,935 (3)	6.17
Bruce Sherman		

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8889 Pelican Bay Blvd., Suite 500 Naples, Florida 34108	130,837(3)	10.78
Kellogg/Everest 14 Wall Street, 27th Floor New York, NY 10005	92,296(4)	7.60
Goldstein/Dakos 60 Heritage Drive Pleasantville, NY 10570	135,569(5)	11.17
----- Directors and Executive Officers -----		
Stephen V. Maroney c/o Gyrodyne Company of America, Inc. 102 Flowerfield St. James, NY 11780	92,894(6)	7.27
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Peter Pitsiokos c/o Gyrodyne Company of America, Inc. 102 Flowerfield St. James, NY 11780	35,205(7)	2.70
Paul L. Lamb c/o Lamb & Barnosky, LLP 534 Broadhollow Road Melville, NY 11747	22,864(8)	1.88
Robert H. Beyer 10505 Indigo Lane Fairfax, Virginia 22032	14,634(9)	1.20
Philip F. Palmedo 4 Piper Lane St. James, NY 11780	12,749(10)	1.05
Richard B. Smith 697 Short Beach Road St. James, NY 11780	1,000	(11)
Ronald J. Macklin c/o Keyspan 175 E. Old Country Road Hicksville, NY 11801	200	(11)
Elliot H. Levine c/o Levine & Seltzer, LLP 150 East 52nd Street New York, NY 10022	0	(11)
All executive officers and directors as a group (8 persons)	179,546	13.96

(1) Includes 99,241 shares of Company stock held by Lovin Oven Catering of Suffolk, Inc., of which Mr. Scollan is the majority shareholder.

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(2) As Gyrodyne has the authority to direct HSBC Bank, USA, the Trustee of the Gyrodyne Pension Plan, to vote the securities of the Company held by the Pension Fund, Gyrodyne Company of America, Inc. has been listed above as the beneficial owner of the 67,580 shares held by HSBC Bank, USA as Trustee for the Gyrodyne Pension Fund.

(3) Mr. Sherman is the CEO of Private Capital Management, LP, and in this capacity he exercises shared dispositive and shared voting power with regard to the shares held by Private Capital Management, LP's clients and managed by Private Capital Management, LP. Mr. Sherman disclaims beneficial ownership of the 74,935 shares held by Private Capital Management, LP's clients and disclaims the existence of a group.

(4) As of the close of business on May 20, 2005, Kellogg Capital Group, LLC and Everest Special Situations Fund, L.P. filed a joint Schedule 13D/A with the Securities and Exchange Commission in which both companies may be deemed to own beneficially in the aggregate 92,296 shares of Gyrodyne stock.

(5) On May 18, 2005, Phillip Goldstein and Andrew Dakos filed a joint Schedule 13D/A with the Securities and Exchange Commission stating that Mr. Phillip Goldstein is deemed to be the beneficial owner of 102,519 shares of Gyrodyne stock. Mr. Dakos is deemed to be the beneficial owner of 33,050 shares of Gyrodyne stock. Power to dispose of securities resides solely with Mr. Goldstein for 102,519 shares. Power to vote securities resides solely with Mr. Goldstein for 6,560 shares and jointly for 1,000 shares. Power to dispose and vote securities resides solely with Mr. Dakos for 33,050 shares.

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(6) Includes 64,530 shares issuable upon the exercise of stock options to purchase Company Stock which are exercisable within 60 days of April 30, 2005.

(7) Does not include his wife's and minor children's ownership of 1,089 shares in which he denies any beneficial interest.

(8) Includes 13,747 shares held by Lamb & Barnosky, LLP Profit Sharing Trust. Mr. Lamb is a trustee of the Profit Sharing Trust. Includes 2,750 shares issuable upon the exercise of stock options to purchase Company Stock which are exercisable within 60 days of April 30, 2005.

(9) Does not include his wife's ownership of 1,801 shares in which he denies any beneficial interest. Includes 2,750 shares issuable upon the exercise of stock options to purchase Company Stock which are exercisable within 60 days of April 30, 2005.

(10) Does not include his wife's ownership of 4,125 shares in which he denies any beneficial interest. Includes 2,750 shares issuable upon the exercise of stock options to purchase Company Stock which are exercisable within 60 days of April 30, 2005.

(11) Less than 1%.

(12) The percent of class is calculated on the basis of the number of shares outstanding, which is 1,213,678 as of June 30, 2005 plus, for each person or group, any shares that person or group has the right to acquire within 60 days of April 30, 2005 pursuant to options, warrants, conversion privileges or other rights.

(c) Equity Compensation Plans

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Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Security Holders	91,030	\$15.87	-
Equity Compensation Plans not Approved by Security holders	-	-	-
Total	91,030	\$15.87	-

Item 12 Certain Relationships and Related Transactions

The Company currently has a mortgage receivable in the principal amount of \$1,300,000 due from Gerard Scollan. Mr. Scollan is considered a principal shareholder of the Company because he has beneficial ownership of 8.55% of the Company shares. The terms of the mortgage are described in greater detail in Note 2 of the Financial Statements. The Company believes that the terms of the mortgage are no less favorable to the Company than could have been obtained from an unaffiliated third party. The Company received

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\$86,361 in interest during fiscal 2005 and \$90,000 in the prior fiscal year. Interest payments received in fiscal 2005 were lower than in fiscal 2004 as the result of the prepayment of part of the principal.

The Company had engaged the firm of Lamb & Barnosky, LLP as outside legal counsel until December 31, 2004. Director Lamb is a partner in the firm to which Gyrodyne incurred legal fees of \$109,550 and \$228,962 in FY 2005 and FY 2004, respectively. As of January 1, 2005 the relationship with the aforementioned law firm has ended and the Company has engaged a new outside legal counsel.

No loans were made to any officer, director, or any member of their immediate families during the fiscal year just ended, nor were any loan amounts due and owing the Company or its subsidiaries from those parties at fiscal year end.

Item 13 Exhibits

Exhibits. The following Exhibits are either filed as part of this report or are incorporated herein by reference:

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- 3.1 Restated Certificate of Incorporation of Gyrodyne Company of America, Inc. (1)
 - 3.2 Restated Bylaws of Gyrodyne Company of America, Inc. (4)
 - 4.1 Form of Stock Certificate of Gyrodyne Company of America, Inc. (1)
 - 10.1 1993 Stock Incentive Plan. (1)
 - 10.2 1996 Non-Employee Directors' Stock Option Plan. (1)
 - 10.3 Carco Group, Inc. Lease Amendment, dated May 3, 1999. (1)
 - 10.4 Amendment No. 1 to Lease Agreement with Carin Perez and Luis Perez, dated October 7, 1997. (1)
 - 10.5 Incentive Compensation Plan. (1)
 - 10.6 Amended and Restated Agreement of Limited Partnership of Callery-Judge Grove, dated as of May 8, 1995, by and among CJG Management, Ltd., as the general partner and those persons and entities whose names and addresses appear on the books and records of the Partnership as partners. (1)
 - 10.7 Amended and Restated Employment Agreement, with Stephen V. Maroney, dated January 23, 2003. (2)
 - 10.8 Amended and Restated Employment Agreement, with Peter Pitsiokos, dated January 23, 2003. (2)
 - 10.9 Asset Management Agreement with DPMG, Inc. dba Landmark National, dated April 9, 2002. (3)
 - 10.10 Golf Operating Agreement with DPMG, INC., dated April 9, 2002. (3)
 - 10.11 Second Amended and Restated Agreement of Limited Partnership of Callery-Judge Grove, dated as of February 9, 2005, by and among CJG Management, Ltd., as the general partner and those persons and entities whose names and addresses appear on the books and records of the Partnership as partners. (4)
 - 21.1 List of all subsidiaries. (1)
 - 31.1 Rule 13a-15(e)/15d-15(e) Certifications. (4)
 - 32.1 CEO/CFO Certifications Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (4)
- (1) Incorporated herein by reference in the Annual Report on Form 10KSB/A, filed with the Securities and Exchange Commission on September 5, 2001.

- (2) Incorporated herein by reference in the Quarterly Report on Form 10QSB, filed with the Securities and Exchange Commission on March

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12, 2003.

- (3) Incorporated herein by reference in the Annual Report on Form 10KSB, filed with the Securities and Exchange Commission on July 26, 2002.
- (4) Filed as part of this report.

Item 14 Principal Accountant Fees and Services

The following is a summary of the fees billed to us by Holtz Rubenstein Reminick LLP, our independent auditors, for professional services rendered for the fiscal years ended April 30, 2005 and 2004:

Fee Category	Fiscal 2005 Fees	Fiscal 2004 Fees
Audit Fees (1)	\$43,100	\$40,000
Audit-Related Fees (2)	17,444	8,800
Tax Fees (3)	22,900	13,100
All Other Fees (4)	-	-
Total Fees	\$83,444	\$61,900

(1) Audit Fees consist of aggregate fees billed for professional services rendered for the audit of our annual financial statements and review of the interim financial statements included in quarterly reports for services that are normally provided by the independent auditors in connection with statutory and regulatory filings or engagements for the fiscal years ended April 30, 2005 and 2004, respectively.

(2) Audit-Related Fees consist of aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit Fees."

(3) Tax Fees consist of aggregate fees billed for professional services rendered by our principal accountant for tax compliance, tax advice and tax planning. The amounts disclosed consist of fees paid for the preparation of federal and state income tax returns.

(4) All Other Fees consist of aggregate fees billed for products and services provided by Holtz Rubenstein Reminick LLP, our principal accountants, other than those disclosed above.

The Audit Committee is responsible for the appointment, compensation and oversight of the work of the independent auditors and approves in advance any services to be performed by the independent auditors, whether audit-related or not. The Audit Committee reviews each proposed engagement to determine whether the provision of services is compatible with maintaining the independence of the independent auditors. All of the fees shown above were pre-approved by the Audit Committee.

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SIGNATURES

In accordance with the requirements of Section 13 or 15 (d) of the Exchange Act, the Registrant has caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

GYRODYNE COMPANY OF AMERICA, INC.

/S/ Stephen V. Maroney

Stephen V. Maroney, President, Treasurer and Principal Executive Officer
Date: June 30, 2005

/S/ Frank D'Alessandro

Frank D'Alessandro, Controller
Date: June 30, 2005

In accordance with the requirements of the Exchange Act, this report has been signed below by the following on behalf of the Registrant and in the capacities and on the dates indicated.

/S/ Richard B. Smith

Richard B. Smith, Director
Date: June 30, 2005

/S/ Elliot H. Levine

Elliot H. Levine, Director
Date: June 30, 2005

/S/ Ronald J. Macklin

Ronald J. Macklin, Director
Date: June 30, 2005

/S/ Stephen V. Maroney

Stephen V. Maroney, Director
Date: June 30, 2005

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

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Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Gyrodyne Company of America, Inc.
St. James, New York

We have audited the accompanying consolidated balance sheets of Gyrodyne Company of America, Inc. and Subsidiaries as of April 30, 2005 and 2004 and the related consolidated statements of operations, stockholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Gyrodyne Company of America, Inc. and Subsidiaries as of April 30, 2005 and 2004 and the results of their operations and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

s/s Holtz Rubenstein Reminick LLP

Melville, New York
June 10, 2005

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Consolidated Balance Sheets

April 30,	2005	2004
Assets		
Real Estate:		
Rental property:		
Land	\$ 4,250	\$ 4,250
Building and improvements	3,955,011	3,925,421
Machinery and equipment	146,842	160,489
	4,106,103	4,090,160
Less accumulated depreciation	3,397,082	3,347,322
	709,021	742,838
Land held for development:		
Land	792,201	792,201
Land development costs	4,432,766	3,634,313
	5,224,967	4,426,514
Total Real Estate, net	5,933,988	5,169,352
Cash and Cash Equivalents	844,405	1,562,643
Rent Receivable, net of allowance for doubtful accounts of \$37,000 and \$71,000, respectively	62,309	93,082
Mortgage Receivable	1,300,000	1,800,000
Prepaid Expenses and Other Assets	183,121	220,658
Prepaid Pension Costs	1,199,526	1,425,635
Total Assets	\$ 9,523,349	\$ 10,271,370
Liabilities and Stockholders' Equity		
Liabilities:		
Accounts payable and accrued expenses	\$ 204,782	\$ 232,809
Deferred gain on sale of real estate	1,136,705	1,573,900
Tenant security deposits payable	229,284	194,976
Revolving credit line	-	696,287
Loans payable	19,145	28,953
Income taxes payable	-	28,306
Deferred income taxes	1,605,000	1,719,000
Total Liabilities	3,194,916	4,474,231
Commitments		
Stockholders' Equity:		
Common stock, \$1 par value; authorized 4,000,000 shares; 1,531,086 shares issued	1,531,086	1,531,086
Additional paid-in capital	7,841,066	7,505,313

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Deficit	(1,067,872)	(930,224)
Total Stockholders' Equity	8,304,280	8,106,175
Less Cost of Shares of Common Stock Held in Treasury; 317,408 shares and 375,354 shares, respectively	(1,975,847)	(2,309,036)
Total Stockholders' Equity	6,328,433	5,797,139
Total Liabilities and Stockholders' Equity	\$ 9,523,349	\$ 10,271,370

See notes to consolidated financial statements.

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Consolidated Statements of Operations

Years Ended April 30,	2005	2004
Revenue from Rental Property	\$ 2,039,170	\$ 2,086,687
Rental Property Expense:		
Real estate taxes	155,196	143,333
Operating and maintenance	733,536	513,410
Interest expense	35,217	38,850
Depreciation	72,835	78,176
Total Rental Property Expense	996,784	773,769
Income from Rental Property	1,042,386	1,312,918
General and Administrative Expenses	1,823,847	1,628,344
Loss from Operations	(781,461)	(315,426)
Other Income:		
Gain on sale of real estate	437,195	-
Gain on sale of equipment	12,000	-
Interest income	102,852	111,721
Total Other Income	552,047	111,721
Loss Before Income Tax Benefit	(229,414)	(203,705)
Income Tax Benefit	(91,766)	(90,239)
Net Loss	\$ (137,648)	\$ (113,466)
Net Loss Per Common Share:		
Basic	\$ (0.12)	\$ (0.10)

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Diluted	\$	(0.12)	\$	(0.10)
=====				
Weighted Average Number of Common Shares				
Outstanding:				
Basic		1,180,469		1,133,896
=====				
Diluted		1,180,469		1,133,896
=====				

See notes to consolidated financial statements.

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Consolidated Statement of Stockholders' Equity

Years Ended April 30, 2005 and 2004

	\$1 Par Value Common Stock		Additional Paid in Capital	Deficit	T
	Shares	Par Value			Share
	-----	-----	-----	-----	-----
Balance at May 1, 2003	1,531,086	\$ 1,531,086	\$ 7,278,191	\$ (816,758)	414
Exercise of stock options	-	-	227,122	-	(38)
Net loss	-	-	-	(113,466)	
	-----	-----	-----	-----	-----
Balance at April 30, 2004	1,531,086	1,531,086	7,505,313	(930,224)	375
Exercise of stock options	-	-	335,753	-	(57)
Net loss	-	-	-	(137,648)	
	-----	-----	-----	-----	-----
Balance at April 30, 2005	1,531,086	\$ 1,531,086	\$ 7,841,066	\$ (1,067,872)	317
	=====	=====	=====	=====	=====

See notes to consolidated financial statements.

GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years Ended April 30, 2005 2004

Cash Flows from Operating Activities:

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Net loss	\$ (137,648)	\$ (113,466)

Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	115,607	119,945
Bad debt expense	57,000	48,000
Deferred income tax benefit	(114,000)	(142,000)
Stock based compensation	-	76,606
Pension expense	226,109	236,870
Gain on sale of equipment	(12,000)	-
Gain on sale of real estate	(437,195)	-
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Land development costs	(798,453)	(1,189,659)
Accounts receivable	(26,227)	(69,645)
Prepaid expenses and other assets	18,705	(2,333)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(28,027)	(16,815)
Income taxes payable	(28,306)	28,306
Tenant security deposits	34,308	(43,228)

Total adjustments	(992,479)	(953,953)

Net Cash Used in Operating Activities	(1,130,127)	(1,067,419)

Cash Flows from Investing Activities:		
Acquisition of property, plant and equipment	(62,958)	(29,754)
Proceeds from sale of equipment	12,000	-
Proceeds from mortgage receivable	500,000	-

Net Cash Provided by (Used in) Investing Activities	449,042	(29,754)

Cash Flows from Financing Activities:		
Repayment of loans payable	(706,095)	(17,889)
Loan origination fees	-	73,519
Proceeds from exercise of stock options	668,942	372,869

Net Cash (Used in) Provided by Financing Activities	(37,153)	428,499

Net Decrease in Cash and Cash Equivalents	(718,238)	(668,674)
Cash and Cash Equivalents, beginning of year	1,562,643	2,231,317

Cash and Cash Equivalents, end of year	\$ 844,405	\$ 1,562,643
	=====	

See notes to consolidated financial statements.

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

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1. Summary of Significant Accounting Policies

Organization and nature of operations - Gyrodyne Company of America, Inc. and Subsidiaries (the "Company") is primarily a lessor of industrial and commercial real estate to unrelated diversified entities located in Long Island, New York.

In April 2002, the Company announced redevelopment plans of a significant portion of real estate holdings, for the construction of an 18-hole championship golf course and 336 luxury residential units. In connection with this redevelopment plan, the Company executed agreements with Landmark National to design and develop the golf course community. See Note 15.

The State University of New York at Stony Brook has announced plans to acquire 246 acres of the Company's 314-acre parcel through either a negotiated purchase or eminent domain. See Note 15.

Principles of consolidation - The accompanying consolidated financial statements include the accounts of Gyrodyne Company of America, Inc. ("GCA") and all majority owned subsidiaries. Investments in affiliates in which the Company has the ability to exercise significant influence, but not control, would be accounted for under the equity method. Investment interests in excess of 5% in limited partnerships are accounted for under the equity method.

All consolidated subsidiaries are wholly owned. All significant inter-company transactions have been eliminated.

Rental real estate - Rental real estate assets are stated at cost, and reported net of accumulated depreciation and amortization. Tenant improvements, which are included in buildings and improvements, are also stated at cost. Expenditures for ordinary maintenance and repairs are expensed to operations as they are incurred. Renovations and or replacements, which improve or extend the life of the asset are capitalized and depreciated over their estimated useful lives.

Real estate held for development - Real estate held for development is stated at the lower of cost or net realizable value. In addition to land, land development and construction costs, real estate held for development includes interest, real estate taxes and related development and construction overhead costs which are capitalized during the development and construction period.

Net realizable value represents estimates, based on management's present plans and intentions, of sale price less development and disposition cost, assuming that disposition occurs in the normal course of business.

Long-lived assets - On a periodic basis, management assesses whether there are any indicators that the value of the real estate properties may be impaired. A property's value is impaired only if management's estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property are less than the carrying value of the property. Such cash flows consider factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other factors. To the extent impairment occurs, the loss will be measured as the excess of the carrying amount of the property over the fair value of the property.

The Company is required to make subjective assessments as to whether there are impairments in the value of its real estate properties and other investments. These assessments have a direct impact on the Company's net income, since an impairment charge results in an immediate negative

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adjustment to net income.

Depreciation and amortization - Depreciation and amortization are provided on the straight-line method over the estimated useful lives of the assets, as follows:

Buildings and Improvements	10 to 30 years
Machinery and Equipment	3 to 20 years

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

Expenditures for maintenance and repairs are charged to operations as incurred. Significant renovations are capitalized.

Revenue recognition - Minimum revenues from rental property are recognized on a straight-line basis over the terms of the related leases. The excess of rents recognized over amounts contractually due, if any, are included in deferred rents receivable on the Company's balance sheets. Certain leases also provide for tenant reimbursements of common area maintenance and other operating expenses and real estate taxes. Ancillary and other property related income is recognized in the period earned.

Allowance for doubtful accounts - Management must make estimates of the uncollectability of accounts receivable. Management specifically analyzes accounts receivable and analyzes historical bad debts, customer concentrations, customer credit-worthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful accounts.

Investments - The Company has a 10.93% limited partnership interest in Callery-Judge Grove, L.P. (the "Grove") that owns a 3500-acre citrus grove in Palm Beach County, Florida. The Company is accounting for this investment under the equity method in accordance with Emerging Issue Task Force ("EITF") Topic D-46 "Accounting for Limited Partnership Investments" and the guidance in paragraph 8 of AICPA Statement of Position ("SOP") 78-9, "Accounting for Investments in Real Estate Ventures."

Cash equivalents - The Company considers all highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents.

Net loss per common share and per common equivalent share - The reconciliations for the years ended April 30, 2005 and 2004 are as follows:

Year Ended April 30, 2005	Loss	Shares	Per
Basic EPS	\$ (137,648)	1,180,469	\$
Effect of Dilutive Securities - common stock options	-	-	

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Diluted EPS	\$ (137,648)	1,180,469	\$
=====			
Year Ended April 30, 2004	Income	Shares	Per

Basic EPS	\$ (113,466)	1,133,896	\$
Effect of Dilutive Securities - common stock options	-	-	

Diluted EPS	\$ (113,466)	1,133,896	\$
=====			

Income taxes - Deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities, and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Stock-based compensation - The Company applies Accounting Principles Board ("APB") Opinion No. 25 and related interpretations in accounting for stock-based compensation to employees. Stock compensation to non-employees is accounted for at fair value in accordance with Statement of Financial Accounting Standard ("SFAS") No. 123, "Accounting for Stock-Based Compensation."

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

In accordance with APB Opinion No. 25, no compensation expense has been recognized for the employee stock option plans. Had the Company recorded compensation expense for the employee stock options based on the fair value at the grant date for awards in the years ended April 30, 2005 and 2004 consistent with the provisions of SFAS No. 123, the Company's net loss and net loss per share would have been adjusted to the following pro forma amounts:

	2005	2004
Net Loss, as reported	\$ (137,648)	\$ (113,466)
Net Loss, pro forma	(138,648)	(230,466)
Basic Loss Per Share, as reported	(.12)	(.10)
Basic Loss Per Share, pro forma	(.12)	(.20)
Diluted Loss Per Share, as reported	(.12)	(.10)
Diluted Loss Per Share, pro forma	(.12)	(.20)

For the purposes of the pro forma presentation, the fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The following range of weighted-average assumptions were used for grants during the fiscal years ended April 30, 2004. There were no stock options granted during the fiscal year ended April 30, 2005.

Years Ended April 30, 2005 2004

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Dividend Yield	-	0.0%
Volatility	-	32.0%
Risk-Free Interest Rate	-	2.0%
Expected Life	-	5 Years

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant assumptions and estimates relate to depreciable lives and the valuation of real estate.

New accounting pronouncements - In December 2004, the Financial Accounting Standards Board ("FASB") issued SFAS No. 123(R), ("SFAS 123(R)") "Share-Based Payment". This statement replaces SFAS No. 123, "Accounting for Stock-Based Compensation", and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees". SFAS 123(R) covers a wide range of share-based compensation, including stock options, and requires that the compensation cost relating to share-based transactions be measured at fair value and recognized in the financial statements. Public entities filing as small business issuers are required to apply SFAS No. 123(R) in their first annual reporting period beginning after December 15, 2005. Management is evaluating the impact that this Statement will have on the Company's consolidated financial statements.

In December 2004, the FASB issued SFAS No. 153, "Exchange of Non-monetary Assets", an amendment of APB Opinion No. 29, which differed from the International Accounting Standards Board's ("IASB") method of accounting for exchanges of similar productive assets. SFAS No. 153 replaces the exception from fair value measurement in APB No. 29, with a general exception from fair value measurement for exchanges of non-monetary assets that do not have commercial substance. The statement is to be applied prospectively

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

and is effective for non-monetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. The Company does not believe that SFAS No. 153 will have a material impact on its results of operations or cash flows.

2. Mortgage Receivable

A mortgage receivable in the original principal amount of \$1,800,000 is due from a former tenant in connection with sale of real estate (Note 8). The mortgage bears interest at 5% per annum with interest only payments due quarterly, commencing in November 2002. The principal and any unpaid interest are due and payable in August 2005. The mortgage is secured by the related real estate along with a third party guarantee of approximately

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\$1,430,000.

During the year ended April 30, 2005, the mortgagor prepaid \$500,000 of the principal amount.

3. Investment in Grove Partnership:

The Company has a 10.93% limited partnership interest in the Callery-Judge Grove, L.P. (the "Grove"). As of April 30, 2005 and 2004, the carrying value of the Company's investment was \$0.

The Grove has reported to its limited partners that in June 2004 it received an independent appraisal report of the citrus grove property, which is now the subject of development applications. Based upon the appraised value of the citrus grove operations and property, at April 30, 2005, strictly on a pro-rata basis, the estimated fair value of the Company's interest in the Grove would be approximately \$8,279,000. The Company cannot predict what, if any, value it will ultimately realize from this investment.

The fiscal year end of the Grove is June 30. Summarized financial information of the Grove as of June 30, 2004 and 2003 is as follows:

Years Ended June 30,	2004	2003
	(in thousands)	(in thousands)
Total Current Assets	\$ 5,662	\$ 7,970
Total Assets	20,917	23,048
Total Current Liabilities	3,071	2,495
Total Liabilities	19,076	20,012
Total Partners' Capital	1,841	3,036
Total Revenues	3,213	8,827
Net Loss	(1,195)	(1,586)

4. Income Taxes

The Company files a consolidated U.S. federal income tax return that includes all 100% owned subsidiaries. State tax returns are filed on a consolidated or separate basis, depending on the applicable laws.

The (benefit) provision for income taxes is comprised of the following:

Years Ended April 30,	2005	2004
Current:		
Federal	\$ -	\$ 101,203
State	22,234	(49,442)
	22,234	51,761

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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Years Ended April 30, 2005 and 2004

Deferred:		
Federal	(96,000)	(103,000)
State	(18,000)	(39,000)
	-----	-----
	(114,000)	(142,000)
	-----	-----
	\$ (91,766)	\$ (90,239)
	=====	=====

The components of the net deferred tax liabilities are as follows:

April 30,	2005	2004

Deferred Tax Assets:		
Stock compensation	\$ 3,000	\$ 13,000
Accrued sick and vacation	14,000	13,000
Provision for bad debt	15,000	30,000
Tax loss carryforwards	27,000	-
Contribution carryforwards	3,000	-
	-----	-----
Total Deferred Tax Assets	62,000	56,000
Deferred Tax Liabilities:		
Prepared pension costs	(490,000)	(599,000)
Unrealized gain on investment in Citrus Grove	(569,000)	(569,000)
Land development costs	(600,000)	(600,000)
Accumulated depreciation	(8,000)	(7,000)
	-----	-----
Total Deferred Tax Liabilities	(1,667,000)	(1,775,000)
	-----	-----
Net Deferred Income Taxes	\$ (1,605,000)	\$ (1,719,000)
	=====	=====

The Company has federal net operating loss carryforwards of approximately \$78,000, which can be used to reduce future taxable income through 2025.

A reconciliation of the federal statutory rate to the Company's effective tax rate is as follows:

Years Ended April 30,	2005	2004

U.S. Federal Statutory Income Rate	34.0%	34.0%
State Income Tax, net of federal tax benefits	7.5%	7.5%
Other Differences, net	(1.5)%	2.8%
	-----	-----
	40.0%	44.3%
	=====	=====

5. Retirement Plans

The Company has a noncontributory defined benefit pension plan covering substantially all of its employees. The benefits are based on annual average earnings for the highest sixty (60) months (whether or not continuous) immediately preceding the Participant's termination date. Annual contributions to the plan are at least equal to the minimum amount, if any, required by the Employee Retirement Income Security Act of 1974 but no greater than the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only for benefits

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attributed to service to date but also those expected to be earned in the future. During the years ended April 30, 2005 and April 30, 2004, the Company made no contributions to the Plan. The Company has no minimum required contribution for the April 30, 2005 plan year.

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

The following tables provide a reconciliation of the changes in the plan's benefit obligations and fair value of assets over the two-year period ending April 30, 2005, and a statement of the funded status as of April 30 of both years:

April 30,	2005	2004
Pension Benefits		
Reconciliation of Benefit Obligation:		
Obligation	\$ 1,996,981	\$ 1,763,513
Service cost	129,967	86,717
Interest cost	129,160	119,220
Actuarial loss	269,299	197,779
Benefit payments	(163,040)	(170,248)
Obligation at April 30	\$ 2,362,367	\$ 1,996,981
April 30,		
Reconciliation at Fair Value of Plan Assets:		
Fair value of plan assets at May 1	\$ 2,163,701	\$ 1,572,364
Actual return on plan assets	937,964	761,585
Benefit payments	(163,040)	(170,248)
Fair Value of Plan Assets at April 30	\$ 2,938,625	\$ 2,163,701
Funded Status:		
Funded status at April 30	\$ 576,258	\$ 166,720
Unrecognized prior-service cost	112,968	185,706
Unrecognized loss	510,300	1,073,209
Net Amount Recognized	\$ 1,199,526	\$ 1,425,635

The accumulated benefit obligation was \$1,993,167 and \$1,779,282 as of April 30, 2005 and 2004, respectively.

The following table provides the components of net periodic benefit cost for the plans for fiscal years 2005 and 2004:

April 30,	2005	2004
-----------	------	------

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Pension Benefits		
Service Cost	\$ 129,967	\$ 86,717
Interest Cost	129,160	119,220
Expected Return on Plan Assets	(165,830)	(126,166)
Amortization of Prior-Service Cost	72,738	72,738
Amortization of Net Loss	60,074	84,361

Net Periodic Benefit Cost After Curtailments and Settlements	\$ 226,109	\$ 236,870
=====		

The prior-service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

The Plan's expected return on plan assets assumption is derived from a detailed periodic review conducted by the Plan's actuaries and the Plan's asset management group. The review includes an analysis of the asset allocation strategy, anticipated future long-term performance of individual asset classes, risks and correlations for each of the asset classes that comprise the funds' asset mix. While the review gives appropriate consideration to recent fund performance and historical returns, the assumption is primarily a long-term, prospective rate.

The assumptions used in the measurement of the Company's benefit obligation are shown in the following table:

April 30,	2005	2004

Pension Benefits		
Weighted-Average Assumptions as of April 30:		
Discount rate	5.75%	6.50%
Expected return on plan assets	8.00%	8.00%
Rate of compensation increase	5.00%	4.00%

The Plan's investment objectives are expected to be achieved through a portfolio mix of U.S. stocks, international stocks, U.S. fixed income securities, and Company stock which reflect the Plan's desire for investment return while controlling total portfolio risk to an acceptable level.

The defined benefit plan had the following asset allocations as of their respective measurement dates:

April 30,	2005	2004

Common Stock - Gyrodyne Company of America, Inc.	93.7%	90.6%

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United States Government Securities	1.1%	1.5%
Corporate Equity Securities	0.3%	0.7%
Other Funds	4.9%	7.2%
Total	100.0%	100.0%

Securities of the Company included in plan assets are as follows:

April 30,	2005	2004
Number of Shares	67,580	72,580
Market Value	\$ 2,753,885	\$ 1,961,112

Expected approximate future benefit payments are as follows:

Years Ending April 30,	Amount
2006	\$ 135,000
2007	127,000
2008	143,000
2009	141,000
2010	133,000
2011 - 2015	694,000

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

6. Stock Option Plans

Incentive Stock Option Plan - The Company had a stock option plan (the "Plan") which expired in October 2003, under which participants were granted Incentive Stock Options ("ISOs"), Non-Qualified Stock Options ("NQSOS") or Stock Grants. The purpose of the Plan was to promote the overall financial objectives of the Company and its shareholders by motivating those persons selected to participate in the Plan to achieve long-term growth in shareholder equity in the Company and by retaining the association of those individuals who were instrumental in achieving this growth. Such options or grants became exercisable at various intervals based upon vesting schedules as determined by the Compensation Committee. The options expire between August 2005 and May 2008.

The ISOs were granted to employees and consultants of the Company at a price not less than the fair market value on the date of grant. All such options were authorized and approved by the Board of Directors, based on recommendations of the Compensation Committee.

ISOs were granted along with Stock Appreciation Rights, which permitted the holder to tender the option to the Company in exchange for stock, at no cost to the optionee, that represented the difference between the option price and the fair market value on date of exercise. NQSOS were issued with Limited Stock Appreciation Rights, which were exercisable, for cash, in the

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event of a change of control. In addition, an incentive kicker was provided for Stock Grants, ISOs and NQSOs, which increased the number of grants or options based on the market price of the shares at exercise versus the option price.

Non-Employee Director Stock Option Plan - The Company adopted a non-qualified stock option plan for all non-employee Directors of the Company in October 1996. The plan expired in September 2000. Each non-employee Director was granted an initial 2,500 options on the date of adoption of the plan. These options are exercisable in three equal annual installments commencing on the first anniversary date subsequent to the grant. Additionally, each non-employee Director was granted 1,250 options on each January 1, 1997 through 2000, respectively. These additional options are exercisable in full on the first anniversary date subsequent to the date of grant. The options expire between November 2005 and January 2007.

A summary of the Company's various fixed stock option plans as of April 30, 2005 and 2004, and changes during the years then ended is presented below:

Years Ended April 30,	2005		2004	
Fixed Stock Options	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding, beginning of year	164,650	\$ 16.30	174,740	\$
Granted	-	-	38,500	
Exercised options	(73,620)	16.83	(38,670)	
Canceled	-	-	(9,920)	
Outstanding, end of year	91,030	15.87	164,650	
Options Exercisable at year end	91,030	15.87	164,650	
Weighted-Average Fair Values of Options Granted During Year		\$ -		\$

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GYRODYNE COMPANY OF AMERICA, INC.
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

The following table summarizes information about stock options outstanding at April 30, 2005:

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Range of Exercise Price	Options Outstanding			Options Exercisable	
	Number Outstanding	Weighted Average Contractual Life	Weighted Average Exercise Price	Number Outstanding	Weighted Average Exercise Price
\$13.46-14.23	19,800	.43	\$ 13.91	19,800	\$ 13.91
\$15.46-16.87	64,355	2.47	\$ 16.20	64,355	\$ 16.20
\$18.44	6,875	1.67	\$ 18.44	6,875	\$ 18.44

Shares reserved for future issuance at April 30, 2005 are comprised of the following:

Shares issuable upon exercise of stock options under the Company's Non-Employee Director Stock Option Plan	17,875
Shares issuable upon exercise of stock options under the Company's stock incentive plan	73,155

	91,030
	=====

Incentive compensation plan - The Company has an incentive compensation plan for all full-time employees and members of the Board in order to promote shareholder value. The benefits of the incentive compensation plan are realized only upon a change in control of the Company. Change in control is defined as the accumulation by any person, entity or group of 30% or more of the combined voting power of the Company's voting stock or the occurrence of certain other specified events. In the event of a change in control, the Company's plan provides for a cash payment equal to the difference between the plan's "establishment date" price of \$15.39 per share and the per share price of the Company's common stock on the closing date, equivalent to 100,000 shares of Company common stock. The payment amount would be distributed to eligible participants based upon their respective weighted percentages (ranging from .5% to 18%).

7. Loans Payable

April 30,	2005	2004
Revolving Line of Credit	-	696,287
Installment Loans, other	19,145	28,953
	-----	-----
	\$ 19,145	\$ 725,240
	=====	=====

The line of credit has a maximum borrowing limit of \$1,750,000, bears interest at the lending institution's prime-lending rate (5.75% at April 30, 2005) plus 1%, and is subject to certain financial covenants. The line is secured by certain real estate and expires on June 1, 2006. As of April 30, 2005, \$1,750,000 was available under this agreement and the Company was in compliance with the financial covenants.

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Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

Annual maturities of loans payable is as follows:

Years Ending April 30,	Amount
2006	\$ 7,411
2007	7,411
2008	4,323

	\$ 19,145
	=====

8. Sale of Real Estate

On August 8, 2002, the Company sold approximately twelve acres of property and certain buildings with a carrying value of approximately \$559,000 to an existing tenant. The contract of sale amounted to \$5,370,000 under which the Company received a cash payment of approximately \$3,600,000 and a three-year mortgage for \$1,800,000 with interest at 5%. The profit on the sale of the land and buildings was \$4,700,000 net of transaction costs of approximately \$113,000. Pursuant to SFAS No. 66, approximately \$1,570,000 of the gain on this sale was deferred. The deferred gain will be recognized upon collection of the related mortgage receivable.

During the fiscal year ended April 30, 2005, the Company received cash payments from its mortgage receivable totaling \$500,000 and recognized a gain on the sale of real estate of approximately \$437,000.

9. Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and cash equivalents and long-term investments. The Company places its temporary cash investments with high credit quality financial institutions and, by policy, limits the amount of credit exposure in any one financial institution. At times the Company maintains bank account balances, which exceed FDIC limits. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk on cash. Management does not believe significant credit risk exists at April 30, 2005 and 2004.

10. Supplemental Disclosures of Cash Flow Information

Cash paid during the year for:

Years Ended April 30,	2005	2004
Interest	\$ 35,217	\$ 38,850
	=====	=====
Income Taxes	\$ 30,000	\$ 204,768
	=====	=====

GYRODYNE COMPANY OF AMERICA, INC.
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Years Ended April 30, 2005 and 2004

11. Commitments

Lease commitments - The future minimum revenues from rental property under the terms of all noncancellable tenant leases, assuming no new or renegotiated leases are executed for such premises, for future years are approximately as follows:

Years Ending April 30,	Amount
2006	\$ 969,000
2007	186,000
2008	186,000
2009	182,000
2010	182,000
Thereafter	1,802,000

	\$ 3,507,000
	=====

The Company is leasing office space in St. James, New York on a month-to-month basis. Rental expense approximated \$54,000 and \$57,000 for the years ended April 30, 2005 and 2004, respectively.

Employment agreements - Effective January 23, 2003, the Company amended the existing employment contracts with two officers, which provide for annual salaries aggregating \$362,000. The terms of the agreements were extended from one to three years and provide for a severance payment equivalent to three years salary in the event of a change in control.

Land development contract - The Company has entered into a Golf Operating and Asset Management Agreement (the "Agreement") with Landmark National ("Landmark") for the design and development of an 18-hole championship golf course community. The Agreement provides for Landmark to design, construct and manage the golf course and related facilities, and to design and plan the proposed residential community. Fees for Landmark's services is as follows:

Golf Course Design and Operations -

- o \$5,000 per month, not to exceed \$150,000, for the design of the golf course and related facilities. As of April 30, 2005, the Company has paid \$150,000.
- o A \$100,000 golf course grading plan fee after completion of the grading plan, which was paid during the year ended April 30, 2003.
- o If Landmark designs the golf course as a "Signature Landmark Course," a one time licensing fee not to exceed \$250,000 is due.

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- o A monthly builders fee, upon commencement of construction of the golf course, equal to 4.5% of the total cost of the golf course and related facilities.
- o Upon commencement of the operations of the golf course, a \$100,000 annual management fee.

Residential Community Planning and Design -

- o \$10,000 per month, not to exceed \$300,000, for the design and planning of the residential community. As of April 30, 2005, the Company has paid \$300,000.
- o \$75,000 annual fee commencing upon the beginning of the operations, sales and marketing phase of the residential community, and terminating upon the sale of all building lots.

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GYRODYNE COMPANY OF AMERICA, INC.
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Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

Total Project -

- o A monthly builders fee, upon commencement of construction of the golf course and the residential community, equal to 4.5% of the total construction costs, as defined.
- o An incentive fee equal to 10% of the pre-tax income of the Project, as defined.

Termination -

Should the Company terminate the Agreement prior to completion without cause, a termination fee is payable to Landmark as follows:

- a. \$500,000 prior to the completion of the design and master plan phase of the golf course and related facilities;
- b. \$1,000,000 after the completion of the design and master plan phase of the golf course and related facilities and prior to the opening of the golf course to third parties;
- c. If termination occurs after the golf course and related facilities are open for use by third parties a sum equal to 50% of the entire amount of unearned fees that would have been earned by Landmark through the expiration date of the agreement.

The Agreement expires on April 9, 2017.

12. Fair Value of Financial Instruments

The methods and assumptions used to estimate the fair value of the

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following classes of financial instruments were:

The carrying amount of cash, receivables and payables and certain other short-term financial instruments approximate their fair value.

The estimated fair value of the Company's investment in the Citrus Grove Partnership at April 30, 2005, based upon an independent third party appraisal report, is approximately \$8,279,000 based on the Company's ownership percentage.

The book value of the Company's loans payable approximates its fair value.

13. Related Party Transactions

A law firm related to a director provided legal services to the Company for which it was compensated approximately \$110,000 and \$229,000 for the years ended April 30, 2005 and 2004, respectively. As of January 1, 2005, the relationship with the aforementioned law firm has ended and the Company has engaged a new outside law firm.

14. Major Customers

For the year ended April 30, 2005 rental income from the three largest tenants represented 14%, 13% and 10% of total rental income.

For the year ended April 30, 2004 rental income from the three largest tenants represented 17%, 13% and 12% of total rental income.

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GYRODYNE COMPANY OF AMERICA, INC.
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Notes to Consolidated Financial Statements

Years Ended April 30, 2005 and 2004

15. Contingencies

In December 2002, Stony Brook University (the "University") approached the Company with an interest in discussing the purchase of the Company's 314-acre Flowerfield property located in Stony Brook/St. James, New York. Those discussions were eventually discontinued, as the Company had concluded that the University's suggested range of the purchase price for the property was not reflective of its value.

In April 2003, the University announced that the Board of Trustees of the State University of New York had adopted a resolution, which empowered the University to commence eminent domain proceedings to acquire part of the property.

In a filing dated May 21, 2004, the University announced the completion of a Draft Generic Environmental Impact Study ("DGEIS"), which outlined its plan to acquire 246 acres of the Flowerfield property through either a negotiated purchase or eminent domain. The announcement also included a Notice of Public Hearing establishing a date of June 21, 2004 to review the DGEIS and to review the public purpose of an eminent domain condemnation.

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In June 2004, the Company filed a lawsuit in New York State Supreme Court in an effort to require the University to comply with the requirements of the State Environmental Quality Review Act ("SEQRA").

On April 25, 2005, the Appellate Division Second Judicial Department of the Supreme Court of the State of New York issued its Decision and Judgment In the Matter of Gyrodyne Company of America, Inc., petitioner, v. State University of New York at Stony Brook. The Court rejected the Company's challenges to the University's proposed taking of the property concluding that the University had sufficient statutory jurisdiction and authority for this proposed public project and rejecting the Company's contention that the taking was excessive. Based upon these conclusions, the Court denied the Company's petition and dismissed the proceeding. The Company has appealed the Court's decision.

In the event the University moves forward with the eminent domain proceeding, management intends to take all appropriate steps to seek maximum value for the Property.

If the University is successful in condemning the Flowerfield property, the Company will be forced to cancel its land development contract with Landmark and a termination fee may be due as discussed in Note 11.

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struments and thus should not be subject to withholding on dividend equivalents. Our determination is not binding on the IRS, and the IRS may disagree with this determination. Furthermore, the application of Section 871(m) of the Code will depend on our determinations made upon issuance of the Securities. If withholding is required, we will not make payments of any additional amounts.

Nevertheless, after issuance, it is possible that your Securities could be deemed to be reissued for tax purposes upon the occurrence of certain events affecting the underlying asset or your Securities, and following such occurrence your Securities could be treated as delta one specified equity-linked instruments that are subject to withholding on dividend equivalents. It is also possible that withholding tax or other tax under Section 871(m) of the Code could apply to the Securities under these rules if you enter, or have entered, into certain other transactions in respect of the underlying asset or the Securities. If you enter, or have entered, into other transactions in respect of the underlying asset or the Securities, you should consult your tax advisor regarding the application of Section 871(m) of the Code to your Securities in the context of your other transactions.

Because of the uncertainty regarding the application of the 30% withholding tax on dividend equivalents to the Securities, you are urged to consult your tax advisor regarding the potential application of Section 871(m) of the Code and the 30% withholding tax to an investment in the Securities.

Foreign Account Tax Compliance Act. The Foreign Account Tax Compliance Act ("FATCA") was enacted on March 18, 2010, and imposes a 30% U.S. withholding tax on "withholdable payments" (i.e., certain U.S.-source payments, including interest (and original issue discount), dividends, other fixed or determinable annual or periodical gain, profits, and income, and on the gross proceeds from a disposition of property of a type which can produce U.S.-source interest or dividends) and "passthru payments" (i.e., certain payments attributable to withholdable payments) made to certain foreign financial institutions (and certain of their affiliates) unless the payee foreign financial institution agrees (or is required), among other things, to disclose the identity of any U.S. individual with an account of the institution (or the relevant affiliate) and to annually report certain information about such account. FATCA also requires

withholding agents making withholdable payments to certain foreign entities that do not disclose the name, address, and taxpayer identification number of any substantial U.S. owners (or do not certify that they do not have any substantial U.S. owners) to withhold tax at a rate of 30%. Under certain circumstances, a holder may be eligible for refunds or credits of such taxes.

Pursuant to final and temporary Treasury regulations and other IRS guidance, the withholding and reporting requirements under FATCA will generally apply to certain "withholdable payments" made on or after July 1, 2014, certain gross proceeds on a taxable disposition occurring after December 31, 2018, and certain foreign passthrough payments made after December 31, 2018 (or, if later, the date that final regulations defining the term "foreign passthrough payment" are published). If withholding is required, we (or the applicable paying agent) will not be required to pay additional amounts with respect to the amounts so withheld. Foreign financial institutions and non-financial foreign entities located in jurisdictions that have an intergovernmental agreement with the U.S. governing FATCA may be subject to different rules.

Investors should consult their tax advisors about the application of FATCA, in particular if they may be classified as financial institutions (or if they hold their Securities through a foreign entity) under the FATCA rules.

Proposed Legislation. In 2007, legislation was introduced in Congress that, if it had been enacted, would have required holders of Securities purchased after the bill was enacted to accrue interest income over the term of the Securities despite the fact that there may be no interest payments over the entire term of the Securities.

Furthermore, in 2013, the House Ways and Means Committee released in draft form certain proposed legislation relating to financial instruments. If it had been enacted, the effect of this legislation generally would have been to require instruments such as the Securities to be marked to market on an annual basis with all gains and losses to be treated as ordinary, subject to certain exceptions.

It is not possible to predict whether any similar or identical bills will be enacted in the future, or whether any such bill would affect the tax treatment of your Securities. You are urged to consult your tax advisor regarding the possible changes in law and their possible impact on the tax treatment of your Securities.

Both U.S. and non-U.S. holders are urged to consult their tax advisors concerning the application of U.S. federal income tax laws to their particular situation, as well as any tax consequences of the purchase, beneficial ownership and disposition of the Securities (including possible alternative treatments and the issues presented by Notice 2008-2) arising under the laws of any state, local, non-U.S. or other taxing jurisdiction.

Supplemental Plan of Distribution (Conflicts of Interest); Secondary Markets (if any)

We have agreed to sell to UBS Securities LLC and UBS Securities LLC has agreed to purchase, all of the Securities at the issue price to the public less the underwriting discount indicated on the cover of this final terms supplement, the document filed pursuant to Rule 424(b) containing the final pricing terms of the Securities. UBS Securities LLC has agreed to resell all of the Securities to UBS Financial Services Inc. at a discount from the issue price to the public equal to the underwriting discount indicated on the cover of this final terms supplement.

Conflicts of Interest - Each of UBS Securities LLC and UBS Financial Services Inc. is an affiliate of UBS and, as such, has a "conflict of interest" in this offering within the meaning of FINRA Rule 5121. In addition, UBS will receive the net proceeds (excluding the underwriting discount) from the initial public offering of the Securities and, thus creates an additional conflict of interest within the meaning of FINRA Rule 5121. Consequently, the offering is being conducted in compliance with the provisions of Rule 5121. Neither UBS Securities LLC nor UBS Financial

Services Inc. is permitted to sell Securities in the offering to an account over which it exercises discretionary authority without the prior specific written approval of the account holder.

UBS Securities LLC and its affiliates may offer to buy or sell the Securities in the secondary market (if any) at prices greater than UBS' internal valuation - The value of the Securities at any time will vary based on many factors that cannot be predicted. However, the price (not including UBS Securities LLC's or any affiliate's customary bid-ask spreads) at which UBS Securities LLC or any affiliate would offer to buy or sell the Securities immediately after the trade date in the secondary market is expected to exceed the estimated initial value of the Securities as determined by reference to our internal pricing models. The amount of the excess will decline to zero on a straight line basis over a period ending no later than 1 month after the trade date, provided that UBS Securities LLC may shorten the period based on various factors, including the magnitude of purchases and other negotiated provisions with selling agents. Notwithstanding the foregoing, UBS Securities LLC and its affiliates are not required to make a market for the Securities and may stop making a market at any time. For more information about secondary market offers and the estimated initial value of the Securities, see "Key Risks - Fair value considerations" and "Key Risks - Limited or no secondary market and secondary market price considerations" in this final terms supplement.

Prohibition of Sales to EEA Retail Investors — The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC, as amended. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Validity of the Securities

In the opinion of Cadwalader, Wickersham & Taft LLP, as special counsel to the issuer, when the Securities offered by this final terms supplement have been executed and issued by the issuer and authenticated by the trustee pursuant to the indenture and delivered, paid for and sold as contemplated herein, the Securities will be valid and binding obligations of the issuer, enforceable against the issuer in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, receivership or other laws relating to or affecting creditors' rights generally, and to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity). This opinion is given as of the date hereof and is limited to the laws of the State of New York. Insofar as this opinion involves matters governed by Swiss law, Cadwalader, Wickersham & Taft LLP has assumed, without independent inquiry or investigation, the validity of the matters opined on by Homburger AG, Swiss legal counsel for the issuer, in its opinion dated October 29, 2018 filed on that date with the Securities and Exchange Commission as Exhibit 5.3 to the issuer's registration statement on Form F-3 (the "Registration Statement"). In addition, this opinion is subject to customary assumptions about the trustee's authorization, execution and delivery of the indenture and, with respect to the Securities, authentication of the Securities and the genuineness of signatures and certain factual matters, all as stated in the opinion of Cadwalader, Wickersham & Taft LLP dated October 29, 2018 filed on that date with the Securities and Exchange Commission as Exhibit 5.4 to the Registration Statement.