

FIRST AVIATION REVENUES GROW OVER TWENTY PERCENT

WESTPORT, CONNECTICUT, June 14, 2000 — First Aviation Services Inc. (NASDAQ: FAVS), a leading provider of services to the aerospace industry worldwide, today announced sales of \$21.8 million, a record first quarter. Net sales increased 21.0%, for the quarter ended April 30, 2000 as compared to \$18.0 million for the first quarter of the prior fiscal year.

The Company also announced that its net loss for the quarter ended April 30, 2000 narrowed to \$0.01 per share compared to a net loss from continuing operations of \$0.04 per share for the first quarter of the prior fiscal year.

Net income for the quarter was impacted by start up expenses incurred in connection with the Company's Asia Pacific and Europe operations, as well as the Company's e-commerce initiative. Without these expenses the Company estimates that its net income would have been \$0.02 per share.

Mr. Michael Culver, President and CEO of First Aviation Services, noted that, The momentum generated during the last fiscal year has carried forward into this year. The Canadian expansion and additional new services are contributing nicely to our growth. We expect Asia, and recently awarded new product lines, to contribute to the expansion of our core business in the coming quarters.

Results of the operations for the quarter ended April 30, 1999 have been restated in order to reflect the disposition of a former subsidiary.

The Company also announced that Mr. Aaron Hollander, Chairman of the Board, and Mr. Joshua Friedman were each re-elected to three year terms. Mr. Hollander commented that, The Company continues to grow and meet the challenges in an ever-changing world. We are very pleased the API team met its goal of having the Asia/Pacific facility operational in the first quarter.

First Aviation, located in Westport, CT is a worldwide leader in providing services to aircraft operators of some of the most widely used military, commercial and general aviation aircraft. Its operations include Aerospace Products International, a leader in the supply of aerospace products and services worldwide. In addition to the product lines it distributes, API offers overhaul and repair services for brakes and starter/generators and provides custom-built hose assemblies. With locations in the U.S., Canada and

Asia Pacific, plus global partners throughout the world, API continues to be the fastest growing supplier of aviation products and inventory management solutions in the industry.

The Company will host a conference call to discuss fourth quarter earnings on Friday June 16, 2000 at 10:30am ET. Interested parties should call 1 (800) 247-9979 before 10:15 am ET on June 16th.

More information about First Aviation can be found on the World Wide Web at <http://www.firstaviation.com>.

Forward-Looking Statements

Information included in this release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical facts, but rather reflect the Company's current expectations concerning future events and results. Such forward-looking statements, including those concerning the Company's expectations, involve known and unknown risks, uncertainties and other factors, some of which are beyond the Company's control, that may cause the Company's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. In evaluating such statements as well as the future prospects of the Company, specific consideration should be given to various factors, including the Company's ability to obtain parts from its principal suppliers on a timely basis, market conditions, the ability to consummate suitable acquisitions, and other items that are beyond the Company's control and may cause actual results to differ from management's expectations.

#

Contact: John A. Marsalisi
Vice President & Chief Financial Officer
First Aviation Services Inc.
(203) 291-3303

(See attached financial information)

First Aviation Services Inc.

Consolidated Condensed Statements of Operations (in thousands, except per share amounts) (unaudited)

	Three months ended April 30,	
	2000	1999
Net sales	\$ 21,818	\$ 18,034
Cost of sales	<u>17,575</u>	<u>14,461</u>
Gross profit	4,243	3,573
Selling, general and administrative expenses	4,014	3,250
E-commerce initiative	<u>195</u>	<u>-</u>
Operating income before corporate expenses	34	323
Corporate expenses	<u>747</u>	<u>614</u>
Operating income (loss) from continuing operations	(713)	(291)
Interest income	702	—
Interest expense and other	<u>(182)</u>	<u>(154)</u>
Income (loss) before (provision)/benefit for income taxes	(193)	(445)
Benefit for income taxes	<u>77</u>	<u>45</u>
Net income (loss) from continuing operations	(116)	(400)
Net income from discontinued operation, net of provision for income taxes of \$192 for the three months ended April 30, 1999.	<u>—</u>	<u>1,727</u>
Net income (loss)	<u>\$ (116)</u>	<u>\$ 1,327</u>
 <i>Basic net income (loss) per common share:</i>		
Basic net income (loss) from continuing operations per common share	\$ (0.01)	\$ (0.04)
Basic net income (loss) from discontinued operation per common share	<u>—</u>	<u>0.19</u>
Basic net income (loss) per common share	<u>\$ (0.01)</u>	<u>\$ 0.15</u>
Shares used in computation of basic net income (loss) per common share	<u>7,987,897</u>	<u>9,001,906</u>
 <i>Net income (loss) per share — assuming dilution:</i>		
Net income (loss) from continuing operations per common share — assuming dilution	\$ (0.01)	\$ (0.04)
Net income (loss) from discontinued operation per common share — assuming dilution	<u>—</u>	<u>0.19</u>
Net income (loss) per common share — assuming dilution	<u>\$ (0.01)</u>	<u>\$ 0.15</u>
Shares used in computation of net income (loss) per common share — assuming dilution	<u>7,987,897</u>	<u>9,001,906</u>

First Aviation Services Inc.

Consolidated Condensed Balance Sheets (in thousands)

	April 30, 2000 <i>(unaudited)</i>	January 31, 2000 *
Assets		
Current assets:		
Cash and cash equivalents	\$ 41,393	\$ 50,104
Trade receivables, net	15,157	13,810
Inventories	17,728	14,142
Deferred income taxes, prepaid expenses and other	2,830	2,582
Total current assets	77,108	80,638
Plant and equipment, net	5,384	3,980
Goodwill, net	1,758	1,774
Total assets	\$ 84,250	\$ 86,392
Liabilities and stockholders equity		
Current liabilities:		
Accounts payable	\$ 14,873	\$ 8,264
Other accrued liabilities	7,141	7,908
Income taxes payable	1,606	6,858
Current portion of obligations under capital leases	257	163
Total current liabilities	23,877	23,193
Revolving line of credit	7,200	7,900
Minority interest	1,041	1,041
Obligations under capital leases	344	115
Total liabilities	32,462	32,249
Stockholders equity:		
Common stock	91	91
Additional paid-in capital	38,643	38,615
Retained earnings	21,190	21,306
Treasury stock	(8,136)	(5,869)
Total equity	51,788	54,143
	\$ 84,250	\$ 86,392

*Balances were derived from the audited balance sheet as of January 31, 2000.

###