



For Immediate Release

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THE FAIRCHILD CORPORATION (NYSE:FA) ANNOUNCES THIRD QUARTER RESULTS AND PURSUIT OF NEW ACQUISITIONS

Dulles, Virginia (May 9, 2003) – The Fairchild Corporation (NYSE: FA) announced today that it is continuing to investigate how best to redeploy its cash in opportunities which will enable it to build a strong industrial company for the long term.

The Company reported a net loss of \$7.6 million, or \$0.30 per share, for its third quarter ended March 30, 2003. Fairchild's cash and investments were \$133.7 million at March 30, 2003, as compared to \$21.1 million at June 30, 2002. Fairchild has also successfully reduced its debt by \$488.3 million, to \$3.5 million on March 30, 2003, as compared to \$491.8 million on June 30, 2002. These efforts reflect the sale of Fairchild's fastener business to Alcoa for \$657 million in cash, which was completed on December 3, 2002.

The Company announced it has entered into discussions with a lender to receive a 10-year, non-recourse, fixed rate, term loan financing on its shopping center at interest rates currently approximating 5.8%. The Company estimates that it will receive approximately \$50.0 million of cash which, combined with the available funds from its cash and investments, equity, and additional financing the Company believes it can raise, will be available to fund acquisitions.

Eric Steiner, President and Chief Operating Officer of The Fairchild Corporation, stated: "We are pursuing acquisition opportunities in a variety of industries and locations. Based upon our experience with industrial companies and our prior acquisitions, we expect that these efforts will increase shareholder value".

About The Fairchild Corporation

The Fairchild Corporation is engaged in the aerospace distribution business which stocks and distributes a wide variety of parts to aircraft operators and aerospace companies providing aircraft parts and services to customers worldwide. The Fairchild Corporation also owns and operates a shopping center located in Farmingdale, New York. Additional information is available on The Fairchild Corporation web site (www.fairchild.com).

This news release may contain forward looking statements within the meaning of Section 27-A of the Securities Act of 1933, as amended, and Section 21-E of the Securities Exchange Act of 1934, as amended. The Company's actual results could differ materially from those set forth in the forward-looking statements, as a result of the risks associated with the Company's business, changes in general economic conditions, and changes in the assumptions used in making such forward-looking statements.

THE FAIRCHILD CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)
(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	03/30/03	03/31/02	03/30/03	03/31/02
REVENUE:				
Net sales	\$ 14,496	\$ 19,640	\$ 50,562	\$ 58,653
Rental revenue	2,277	1,745	6,264	5,383
	<u>16,773</u>	<u>21,385</u>	<u>56,826</u>	<u>64,036</u>
COSTS AND EXPENSES:				
Cost of goods sold	11,489	15,080	39,764	46,511
Cost of rental revenue	1,470	1,173	4,027	3,707
Selling, general & administrative	10,248	8,869	53,810	30,567
Other (income) expense, net	(935)	(504)	(1,171)	(5,045)
	<u>22,272</u>	<u>24,618</u>	<u>96,430</u>	<u>75,740</u>
OPERATING LOSS	(5,499)	(3,233)	(39,604)	(11,704)
Interest expense	2,982	12,354	34,106	37,014
Interest income	(785)	(1,043)	(9,153)	(3,371)
Net interest expense	2,197	11,311	24,953	33,643
Investment income (loss)	118	30	600	(250)
Increase (decrease) in fair market value of interest rate contract	999	1,924	(5,748)	(980)
Loss from continuing operations before taxes	(6,579)	(12,590)	(69,705)	(46,577)
Income tax benefit (provision)	(117)	5,411	1,299	16,008
Equity in loss of affiliates, net	(178)	(132)	(259)	(99)
Loss from continuing operations	(6,874)	(7,311)	(68,665)	(30,668)
Earnings (loss) from discontinued operations, net	(763)	7,658	7,826	28,769
Gain on disposal of discontinued operations, net	80	-	40,082	-
Cumulative effect of change in accounting for goodwill	-	-	-	(144,600)
NET EARNINGS (LOSS)	<u>\$ (7,557)</u>	<u>\$ 347</u>	<u>\$ (20,757)</u>	<u>\$ (146,499)</u>
<u>BASIC AND DILUTED EARNINGS (LOSS) PER SHARE:</u>				
Loss from continuing operations	\$ (0.27)	\$ (0.29)	\$ (2.73)	\$ (1.22)
Earnings (loss) from discontinued operations, net	(0.03)	0.30	0.31	1.15
Gain on disposal of discontinued operations, net	-	-	1.59	-
Cumulative effect of change in accounting for goodwill	-	-	-	(5.76)
NET EARNINGS (LOSS)	<u>\$ (0.30)</u>	<u>\$ 0.01</u>	<u>\$ (0.83)</u>	<u>\$ (5.83)</u>
Weighted average shares outstanding	<u>25,169</u>	<u>25,158</u>	<u>25,165</u>	<u>25,153</u>
<u>SEGMENT RESULTS:</u>				
Revenues				
Aerospace Distribution Segment	\$ 12,231	\$ 16,272	\$ 43,406	\$ 48,324
Aerospace Manufacturing Segment	2,265	3,368	7,156	10,329
Real Estate Operations Segment	2,277	1,745	6,264	5,383
Total	<u>\$ 16,773</u>	<u>\$ 21,385</u>	<u>\$ 56,826</u>	<u>\$ 64,036</u>
Operating Income (Loss)				
Aerospace Distribution Segment	\$ 214	\$ 1,202	\$ 1,365	\$ 2,048
Aerospace Manufacturing Segment	(712)	(417)	(1,408)	(1,401)
Real Estate Operations Segment	733	345	2,038	1,074
Corporate and Other	(5,734)	(4,363)	(41,599)	(13,425)
Total	<u>\$ (5,499)</u>	<u>\$ (3,233)</u>	<u>\$ (39,604)</u>	<u>\$ (11,704)</u>