

**PRESS RELEASE**

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**FOR IMMEDIATE RELEASE**

Air T, Inc. CFO, John Gioffre, to Retire in 2006

MAIDEN, N.C., January 4, 2006 -- Air T, Inc. (Nasdaq Small Cap:AIRT) announced that John J. Gioffre, the company's Chief Financial Officer, intends to retire on June 30, 2006. Mr. Gioffre also serves as the company's Vice President-Finance, Secretary and Treasurer and intends to retire from those positions as well. Mr. Gioffre has served as the company's Chief Financial Officer since 1984.

Walter Clark, the company's Chief Executive Officer, commented, "John has been a valuable member of Air T's management team for many years. While we will miss his contribution after June 30, we will all wish him well in his retirement." Commenting on replacing Mr. Gioffre, Mr. Clark added "We have started a search for John's successor. Our plan is to use the time before June 30 to allow a smooth transition."

Air T, through its subsidiaries, provides overnight air freight service to the express delivery industry and, through its Global Ground Support subsidiary, manufactures and services aircraft ground support equipment. Air T is one of the largest small aircraft air cargo operators in the United States and currently operates a fleet of single and twin engine turbo-prop aircraft nightly in the eastern half of the United States and Canada, South America, Puerto Rico and the Virgin Islands.