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Contact: John Parry
Chief Financial Officer
3524 Airport Road
Maiden, NC 28650
(828) 464-8741 Ext. 6677

FOR IMMEDIATE RELEASE

AIR T, INC. REPORTS UNAUDITED FIRST QUARTER EARNINGS

MAIDEN, NC - Air T, Inc. (Air T) (NASDAQ: AIRT) today reported consolidated net earnings of \$626,000 (\$0.25 per diluted share) for fiscal 2008's first quarter ended June 30, 2007 compared to consolidated net earnings of \$727,000 (\$0.27 per diluted share) for the similar fiscal 2007 period.

Consolidated revenues were relatively flat, decreasing \$288,000 (2%) to \$15,796,000 for the quarter ended June 30, 2007 compared to the same quarter in the prior fiscal year. Revenues were consistent in the air cargo segment and the ground equipment segment saw a small reduction in sales compared to the first quarter of the prior year.

Air T's Global Ground Support ("Global") subsidiary recently received contracts for the delivery of a combined 22 mobile deicing units to two airlines in calendar 2007. At June 30, 2007, Global's backlog including 21 of these units was \$17.8 million, compared to \$16.8 million at the end of fiscal 2007.

Walter Clark, Chairman and Chief Executive Officer of Air T, commented, "While we are not satisfied with the slip in earnings and revenues from the prior year quarter, we are also not disappointed in these results. Air T had an outstanding first quarter a year ago, and our results this year were not far behind. This first quarter, combined with the recent contracts and the level of our backlog, put Air T in excellent position for another successful year. There is much work to be done to get there, but we are off to a solid start"

FINANCIAL HIGHLIGHTS
(In thousands, except per share data)

	Three Months Ended (Unaudited)	
	06/30/2007	06/30/2006
Operating Revenues	\$ 15,796	\$ 16,084
Net Earnings	\$ 626	\$ 727
Net Earnings Per Share - Diluted	\$ 0.25	\$ 0.27
Average Common Shares Outstanding	2,462	2,671

The Company operates in two business segments. Air T, through its subsidiaries, provides overnight air freight service to the express delivery industry, and manufactures, sells and services aircraft ground support and special purpose industrial equipment. Air T is one of the largest, small-aircraft air cargo operators in the United States. Air T's Mountain Air Cargo (MAC) and CSA, Air subsidiaries currently operate a fleet of single and twin-engine turbo-prop aircraft nightly in the eastern half of the United States, South America, Puerto Rico and the Caribbean Islands. Air T's Global subsidiary manufactures and services aviation support and other specialized military and industrial equipment and is one of the largest providers of deicing equipment in the world.

For a more detailed presentation and discussion of the Company's results of operations and financial condition, please read the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 filed earlier today with the Securities and Exchange Commission. Copies of the Form 10-Q may be accessed on the Internet at the SEC's website, <http://www.sec.gov>.

Statements in this press release, which contain more than historical information may be considered forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) which are subject to risks and uncertainties. Actual results may differ materially from those expressed in the forward-looking statements because of important potential risks and uncertainties, including but not limited to the risk that contracts with major customers will be terminated or not extended, uncertainty regarding legal actions against the Company relating to the collapsed boom at the Philadelphia airport and the Company's legal action against the subcontractor that designed, manufactured and warranted the deicing booms initially sold by Global for installation at the Philadelphia airport, future economic conditions, inflation rates, competition, changes in technology or government regulation, and the impact of future terrorist activities in the United States and abroad. A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. We are under no obligation, and we expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.