

February 3, 2012  
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**FOR IMMEDIATE RELEASE**

**AIR T REPORTS UNAUDITED THIRD QUARTER RESULTS**

MAIDEN, N.C., February 3, 2012 -- Air T, Inc. (Nasdaq Capital Market: AIRT) today reported consolidated net earnings of \$579,000 (\$0.24 per diluted share) for fiscal 2012's third quarter ended December 31, 2011, compared to consolidated net earnings of \$599,000 (\$0.24 per diluted share) for the third quarter of fiscal 2011. The Company also reported year-to-date earnings for the nine months of \$1,340,000 (\$.55 per diluted share) compared to \$1,443,000 (\$.58 per diluted share) for the similar fiscal 2011 period.

Consolidated revenues for fiscal 2012's third quarter were \$25,650,000, an increase of 15% compared to the similar 2011 fiscal quarter. Consolidated revenues for the first nine months of the 2012 fiscal year were \$67,672,000 or 18% higher than the prior year comparable period. At December 31, 2011, the backlog at Global Ground Support, the Company's ground support equipment business, was \$14.9 million, compared to \$17.5 million at December 31, 2010.

Walter Clark, Chairman and Chief Executive Officer of Air T, commented "Management continues to focus on improving margins at our ground equipment sales subsidiary. A review of production processes and engineering is underway to improve gross margins wherever possible. This process has a long horizon and improvement should not be expected short term. It has been a very competitive marketplace over the last several years and Global Ground Support has been successful at winning business albeit at lesser margins than previously attained. I am pleased with the trajectory of our ground support services subsidiary. The growth has come from new customers and new locations. Their focus on pricing and quality of service is making positive inroads with an increasing number of customers. Air cargo continues to be a solid performer and one of the pillars of Air T's success."

**FINANCIAL HIGHLIGHTS**  
 (In thousands, except per share data)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/11</u>	<u>12/31/10</u>
Operating Revenues	<u>\$ 25,650</u>	<u>\$ 22,314</u>	<u>\$ 67,672</u>	<u>\$ 57,508</u>
Net Earnings	<u>\$ 579</u>	<u>\$ 599</u>	<u>\$ 1,340</u>	<u>\$ 1,443</u>
Net Earnings Per Share - Diluted	<u>\$ 0.24</u>	<u>\$ 0.24</u>	<u>\$ 0.55</u>	<u>\$ 0.58</u>

Air T, through its subsidiaries, provides overnight air freight service to the express delivery industry, manufactures and sells aircraft deicers and other special purpose industrial equipment, and provides ground support equipment and facilities maintenance to airlines. 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, Puerto Rico and the Caribbean Islands. Air T's Global Ground Support subsidiary manufactures deicing and other specialized military and industrial equipment and

is one of the largest providers of deicers in the world. The Global Aviation Services subsidiary provides ground support equipment and facilities maintenance to domestic airline customers.

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 December 31, 2011 to be filed 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, future economic conditions and their impact on the Company's customers, customer requirements for ground support equipment and facilities maintenance services will be less than anticipated, the timing and amounts of future orders under our contract with the United States Air Force, inflation rates, the impact of competition, changes in technology or government regulation, and the impact of 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.