



## Student Transportation Announces Amendment to Existing Senior Credit Facility

Toronto, ON, March 30, 2006 — Student Transportation of America, Ltd. (STA), (TSX:STB.UN) today announced that due to its strong financial performance over the past year, it has secured an amendment to allow more favourable terms on its credit facility, with an interest rate reduction of 75 basis points effective immediately and up to an additional 75 basis point reduction on future financings. Additionally, the Company said it has increased its existing credit facility for its pipeline of acquisitions and bid-ins throughout North America. The combined capacity for growth and working capital under the U.S. facilities is now \$55,000,000 USD.

"We are pleased to be able to reduce our interest expense, particularly at a time when overall rates are increasing," said Patrick J. Walker, Chief Financial Officer of STA. "Our bank group of BMO, CIBC, Merrill Lynch Capital and GE Capital, has been extremely supportive since our inception almost nine years ago. Our pipeline for growth is robust, and with lower rates and increased capacity we intend to capitalize on the most attractive opportunities."

### About Student Transportation

Student Transportation is the fifth-largest provider of school bus transportation services in North America, conducting operations through local operating subsidiaries. Student Transportation has become a leading school bus transportation company by aggregating operations through the consolidation of existing providers and conversion of in-house operations and currently operates more than 3,500 school vehicles in Canada and the US. For more information, please visit [www.sta-ips.com](http://www.sta-ips.com)

### Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable securities laws, which reflects the expectations of management regarding the Issuer's and Company's results of operations, expense levels, seasonality, cash flows, performance, liquidity, borrowing availability, financial ratios, ability to execute the Company's growth strategy and cash distributions. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "track", "targeted", "estimate", "anticipate", "believe", "should", "plans" or "continue" or similar expressions suggesting future outcomes or events. These forward looking statements reflect the Company's current expectations regarding anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward looking statements involve significant risks and uncertainties, and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not or the times at which or by the performance or results will be achieved. A number of factors could cause our actual results to differ materially from the results discussed, expressed or implied in any forward-looking statement made by us or on our behalf, including, but not limited to, the factors discussed under "Risk Factors" in our Annual Information Form. These forward looking statements are made as of the date of this news release and, except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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