



Student Transportation of America Awarded \$5 Million in New Annual Contracts

TORONTO, ON -- Student Transportation of America Ltd. (STA), (TSX: STB.UN) today announced that it has been awarded new revenue and bid-in contracts for the upcoming school season totaling \$5 million in revenue annually. The new contracts will add 150 vehicles to the fleet. Management expects these contracts to increase cash available for distributions and lower the company's payout ratio.

"We are pleased to have been selected and awarded new contracts in Connecticut, New Jersey, Vermont and New York State. All of these contracts are in regions where we have existing operations, most are long term and are consistent with our strategy of leveraging existing infrastructure without a significant increase in fixed costs," said Denis J. Gallagher, Chairman and CEO. "We look forward to serving these new customers with local, safe, secure transportation that has been the hallmark of our success."

STA is the fifth largest provider of school bus transportation services in the United States, conducting operations through local operating subsidiaries. STA has become a leading school bus transportation company by aggregating operations through the consolidation of existing providers and conversion of in-house operations. For more information, please visit www.staips.com.

This news release contains "forward-looking statements" within the meaning of applicable securities laws. These statements concern anticipated future events, results, circumstances, performance or expectations that are not historical facts. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties that can affect our actual results and could cause our actual results to differ materially from those expressed or implied in any forward-looking statement made by us or on our behalf. These 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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