



Student Transportation Of Canada Receives Customer Approvals For Acquisition

Toronto, ON, March 2, 2006 – Student Transportation of Canada (STC), an operating subsidiary of Student Transportation of America (TSX: STB.UN), announced today that it has received customer consent and approvals in connection with the previously announced acquisition of certain school transportation assets and contracts from the Liftlock Coach Lines Ltd. group of companies near Peterborough, Ontario. The transaction was contingent upon customer consent and approvals as well as the Company fulfilling certain regulatory requirements. These regulatory requirements are being addressed by the Company in advance of the effective date of the transaction, scheduled for March 13, 2006.

"This acquisition expands our operations in Ontario and positions us for future growth in the province, where we see solid opportunities for our services," said David White, President and Chief Operating Officer of Student Transportation. "We look forward to continuing the positive relations with the school board that the Liftlock Group has served for so many years. We are especially pleased to be working with such dedicated drivers and staff."

Liftlock will add approximately Cdn \$3.4 million annualized revenue to STC's operation in Ontario.

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

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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