



Student Transportation Restates Fiscal 2005 Year End Results

Toronto, ON, November 3, 2005 – Student Transportation of America Ltd. (TSX: STB.UN) (STA) today restated the financial results for its fourth quarter and 192-day period as a public company from December 21, 2004 to June 30, 2005, to correct a non-cash adjustment to foreign currency contracts. All financial results are reported in U.S. dollars, except as otherwise noted.

The Company had previously recorded an unrealized loss on foreign currency exchange contracts of \$1.0 million for the 192-day period ended June 30, 2005, whereas this amount should have been recorded as an unrealized gain on foreign currency contracts of \$1.0 million. This correction, net its impact on recovery of taxes (non-cash) and minority interest (non-cash), reduced the net loss reported for the 192-day period ended June 30, 2005 by \$1.2 million from \$3.8 million to \$2.6 million, reduced the net loss per common share reported for the 192-day period ended June 30, 2005 from \$0.30 to \$0.20, and reduced accumulated deficit by \$1.2 million. For the three months ended June 30, 2005, this correction, net of its impact on recovery of income taxes and minority interest, reduced the net loss reported from \$3.3 million to \$2.1 million and reduced the net loss per common share reported from \$0.26 to \$0.16.

This correction had no impact on EBITDA*, net cash provided by operations, cash available for distributions* or total IPS distributions.

The revised financial statements for the period ended June 30, 2005 and a revised MD&A for the 2005 fiscal year are available at www.sedar.com or at the Company's investor web site www.sta-ips.com.

* Non-GAAP Measures

EBITDA (earnings before interest, taxes, depreciation and amortization) is a non-GAAP financial measure, but management believes it is useful in measuring STA's performance. Readers are cautioned that this measure should not be construed as an alternative to net income or loss or other comparable measures determined in accordance with GAAP as an indicator of the company's performance or as a measure of its liquidity and cash flow. The Company's method of calculating non-GAAP measures may differ from the methods used by other issuers and accordingly, the company's non-GAAP measures may not be comparable to similarly titled measures used by other issuers.

Cash available for distributions is a non-GAAP measure, and is not intended to be representative of cash flow or results of operations determined in accordance with GAAP. Investors are cautioned that cash available for distribution, as calculated by the Company, is unlikely to be comparable to similar measures used by other issuers.

Forward-Looking Statements

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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