



FOR IMMEDIATE RELEASE

Alabama State Port Authority Announces Plans to Refinance \$60.3 Million of Series 2006C (AMT) Bonds

Mobile, Ala. – March 31, 2007. The Alabama State Port Authority Board of Directors today authorized a plan that will refinance the Authority's Series 2006-C (AMT) Bonds in the amount of \$60,295,000. The Series 2006C Bonds are Periodic Auction Reset Securities (PARS) or auction rate securities that are susceptible to interest rate fluctuations. Currently, issuers of auction rate bonds are encountering unprecedented high interest rates and limited refinancing options due to the country's mortgage and credit crisis.

As a result of today's Board action, the Port Authority will refund the Series 2006-C Bonds under the acceptance of a Letter of Commitment from Compass Mortgage Corporation. The Port Authority will receive a loan from Compass. The proceeds of the loan will be used to retire the Series 2006C Bonds. The Port Authority's management and Board expect to close on the agreement in the coming weeks.

"This agreement will provide the Port Authority with a vehicle to refinance instruments currently subject to volatility in the financial markets, and allow our management team to refocus their attentions and efforts on the Authority's ongoing port expansion and improvement programs," said Jimmy Lyons, Director & CEO. "We welcome the Compass opportunity and look forward to working with them on this arrangement."

The Alabama State Port Authority, headquartered in Mobile, Alabama, owns and operates the State of Alabama's deepwater port facilities in Mobile, Alabama. The Authority directly employs 670 workers and its public facilities handled 27 million tons of cargo last year. The Authority's container, general cargo and bulk facilities have immediate access to two interstate systems, five Class 1 railroads, and nearly 15,000 miles of inland waterway connections. Learn more at www.asdd.com.

Contact:
Judith Adams
Vice President, Marketing
Alabama State Port Authority
(251) 441-7003 Office
(251)751-3497 Cell
jadams@asdd.com

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