



America Service Group Inc.

N E W S R E L E A S E

Contact: Michael Catalano
Chairman, President and
Chief Executive Officer
(615) 373-3100

Michael W. Taylor
Senior Vice President and
Chief Financial Officer
(615) 373-3100

AMERICA SERVICE GROUP NAMES KENDALL LYNCH PRESIDENT AND CHIEF EXECUTIVE OFFICER OF SECURE PHARMACY PLUS

BRENTWOOD, Tennessee, (December 15, 2005) – America Service Group Inc. (NASDAQ:ASGRE) today announced that Kendall M. Lynch will be joining the Company on January 3, 2006, as president and chief executive officer of the Company's wholly owned, indirect subsidiary, Secure Pharmacy Plus (SPP).

For nearly 45 years, Mr. Lynch has held leadership positions within the pharmaceutical industry. For the last 10 years, he served as the executive director of the Tennessee Board of Pharmacy, where he had responsibility for administration, legislative oversight and initiation, legal review, enforcement, records maintenance, licensing process supervision and organizing and supervising inspection procedures. Mr. Lynch also served for nearly 35 years with Knight Drug Company, Inc., initially as a staff pharmacist and then as the president and owner. Mr. Lynch has served in leadership positions on various Boards, including serving as a past president of both the Middle Tennessee Society of Pharmacists and the Tennessee Pharmacists Association. He is the 2002 recipient of the Pharmacist of the Year award. Mr. Lynch received his Bachelor of Science in Pharmacy in 1962 from the University of Tennessee College of Pharmacy.

Commenting on the appointment, Michael Catalano, chairman, president and chief executive officer of America Service Group, said, "We are very pleased and fortunate to have someone of Kendall's background and experience join our company. His extensive pharmaceutical industry experience, especially his expertise in regulatory compliance and governance, will be invaluable to SPP. We look forward to Kendall's leadership of our continuing commitment to quality patient care and outstanding service to our clients."

America Service Group Inc., based in Brentwood, Tennessee, is a leading provider of correctional healthcare services in the United States. America Service Group Inc., through its subsidiaries, provides a wide range of healthcare and pharmacy programs to government agencies for the medical care of inmates.

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December 15, 2005

Cautionary Statement

This press release contains “forward-looking” statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements in this release that are not historical facts, including statements about the Company’s or management’s beliefs and expectations, constitute forward-looking statements and may be indicated by words or phrases such as “anticipate,” “estimate,” “plans,” “expects,” “projects,” “should,” “will,” “believes” or “intends” and similar words and phrases. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to, the following:

- *potential adverse effects to our financial condition, results of operations or prospects as a result of any changes to prior period financial statements, necessitated by its recently announced Audit Committee investigation;*
- *the ability of the Company to obtain an exception from NASDAQ to allow the continued listing of the Company’s common stock on NASDAQ until the Company files its Third Quarter 2005 10-Q and the Company’s ability to comply with other NASDAQ listing requirements;*
- *risks associated with the possibility that we may be unable to satisfy covenants under our credit facility;*
- *risks arising from potential weaknesses or deficiencies in our internal control over financial reporting;*
- *the Company’s ability to retain existing client contracts and obtain new contracts; whether or not government agencies continue to privatize correctional healthcare services;*
- *the possible effect of adverse publicity on the Company’s business;*
- *increased competition for new contracts and renewals of existing contracts;*
- *the Company’s ability to execute its expansion strategies;*
- *the Company’s ability to limit its exposure for catastrophic illnesses and injuries in excess of amounts covered under contracts or insurance coverage;*
- *the outcome of pending litigation;*
- *the Company’s dependence on key personnel; and*
- *the Company’s determination whether to repurchase shares under its previously announced stock repurchase program.*

A discussion of important factors and assumptions regarding certain statements and risks involved in an investment in the Company is contained in the Company’s Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. These forward-looking statements are made as of the date of this release. The Company assumes no obligations to update or revise them or provide reasons why actual results may differ.

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