



Corrections Corporation of America Announces Conversion Ratio for Series B Preferred Stock During Final Conversion Period

December 6, 2000

NASHVILLE, Tenn.--(BUSINESS WIRE)--Dec. 6, 2000--Corrections Corporation of America (formerly Prison Realty Trust, Inc.) (NYSE:CXW) announced today that each share of its previously issued Series B Cumulative Convertible Preferred Stock will be convertible into approximately 25.1 shares of the Company's common stock during the final conversion period for such shares beginning on Thursday, December 7, 2000, and ending on Wednesday, December 20, 2000. The conversion ratio established is applicable to the shares of Series B Preferred Stock issued by the Company in both September and November 2000. The number of shares of common stock issuable upon conversion of the Series B Preferred Stock was calculated by dividing the stated price of each preferred share (\$24.46) plus accrued and unpaid dividends as of the date of conversion of each share of Series B Preferred Stock by a \$1.00 conversion price, the floor established under the terms of the Series B Preferred Stock. The \$1.00 conversion price floor was used as the result of the trading price of the Company's common stock, which was less than \$1.00 per share, during the 10 trading day period beginning on Wednesday, November 22, 2000, and ending on Wednesday, December 6, 2000.

The period from Thursday, December 7, 2000, through Wednesday, December 20, 2000, represents the final opportunity for the holders of the Series B Preferred Stock to convert such shares into shares of the Company's common stock. Those shares not converted during the conversion period will provide for dividends payable in additional shares of Series B Preferred Stock at a rate of 12% per year for the first three years following the original issuance date of the shares and cash dividends at a rate of 12% per year thereafter, payable for the period from original issuance through December 31, 2000 and quarterly thereafter in arrears. In addition, the shares of Series B Preferred Stock will be callable by the Company, at a price per share equal to the stated value of \$24.46, plus any accrued dividends, at any time after six months following the later of (i) the third anniversary of the original issuance date of the shares or (ii) the 91st day following the redemption of the Company's \$100.0 million 12% senior notes, due 2006.

Holders desiring to convert their shares of Series B Preferred Stock during the final conversion period should contact their broker or the Company's transfer agent, Boston Equiserve/Fleet, at 781/575-3120, prior to the conclusion of the conversion period on Wednesday, December 20, 2000. Additional information regarding the conversion of the of Series B Preferred Stock may also be found on the Company's Investor Relations Information Line at 615/263-3990.

About the Company

The Company is the nation's largest provider of detention and corrections services to governmental agencies. The Company is the industry leader in private sector corrections with approximately 61,000 beds in 68 facilities under contract for management in the United States and Puerto Rico. The Company's full range of services includes design, construction, ownership, renovation and management of new or existing jails and prisons, as well as long distance inmate transportation services.

Forward-Looking Statements

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. Factors that could cause operating and financial results to differ are described in the Company's Form 10-K, as well as in other documents filed with the Securities and Exchange Commission, and these factors include, but are not limited to, the growth of the private corrections and detention industry, the Company's ability to obtain and maintain facility management contracts and general market conditions. The Company does not undertake any obligation to publicly release the result of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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