



## **Corrections Corporation of America Announces Contract Award With Federal Bureau of Prisons**

May 30, 2002

NASHVILLE, Tenn., May 30, 2002 /PRNewswire-FirstCall via COMTEX/ -- Corrections Corporation of America (NYSE: CXW) announced today that it has been awarded a contract with the Federal Bureau of Prisons (BOP) to house approximately 1,500 federal detainees at the Company's McRae Correctional Facility located in McRae, Georgia.

The three-year contract, awarded as part of the Criminal Alien Requirement Phase II Solicitation ("CAR II"), also provides for seven one-year renewal options and includes contract provisions that are materially comparable to the Company's other contracts with the BOP. Revenues for the contract are expected to commence late in the fourth quarter of 2002. Under the provisions of the award, the Company could earn revenues of up to approximately \$109 million in the first three years of the contract.

"We are delighted that the Federal Bureau of Prisons has chosen our company in awarding this contract," stated John Ferguson, President and CEO. "We believe this award reflects the BOP's ongoing commitment to utilize the private sector to allow the agency the flexibility in managing their bed-space needs in a reasonable and cost effective manner. We believe our commitment to providing quality service and our ability to immediately provide a facility capable of meeting the capacity requirements of the BOP were important factors in obtaining this award."

### **About the Company**

The Company is the nation's largest owner and operator of privatized correctional and detention facilities and one of the largest prison operators in the United States, behind only the federal government and four states. The Company currently owns 40 correctional, detention and juvenile facilities, three of which are leased to other operators, and an additional facility which is not yet in operation. The Company also has a leasehold interest in a juvenile facility. Following the previously announced termination of the Company's Guayama, Puerto Rico contract, and including the McRae Correctional Facility, the Company will operate 61 facilities, including 37 company-owned facilities, with a total design capacity of approximately 60,000 beds in 21 states and the District of Columbia. The Company specializes in owning, operating and managing prisons and other correctional facilities and providing inmate residential and prisoner transportation services for governmental agencies. In addition to providing the fundamental residential services relating to inmates, the Company's facilities offer a variety of rehabilitation and educational programs, including basic education, life skills and employment training and substance abuse treatment. These services are intended to reduce recidivism and to prepare inmates for their successful re-entry into society upon their release. The Company also provides health care (including medical, dental and psychiatric services), food services and work and recreational programs.

### **Forward-Looking Statements**

This press release contains statements that are forward-looking statements as defined within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the Company's current plans and actual future activities, and the Company's results of operations may be materially different from those set forth in the forward-looking statements. Investors should refer to documents that the Company files from time to time with the Securities and Exchange Commission for a description of certain factors that could cause actual results to vary from current expectations and from the forward-looking statements contained in this press release. Such factors include, but are not limited to: (i) fluctuations in the Company's operating results because of, among other things, changes in occupancy levels, competition, increases in cost of operations, fluctuations in interest rates and risks of operations; (ii) the growth in the privatization of the corrections and detention industry and the public acceptance of the Company's services; (iii) general economic and market conditions; and (iv) other factors that could cause results to differ as are described in the filings made from time to time by the Company with the Securities and Exchange Commission.

The Company takes no responsibility for updating the information contained in this press release following the date hereof or for any changes or modifications made to this press release or the information contained herein by any third-parties, including, but not limited to, any wire or internet services.

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