



## **Corrections Corporation of America Defers Expansion at Webb County Detention Center**

August 28, 2006

NASHVILLE, Tenn., August 28, 2006 - Corrections Corporation of America (NYSE: CXW) (the "Company"), the nation's largest provider of corrections management services to government agencies announced today that as a result of a modification to the U.S. Marshals Service ("USMS") Request for Proposal ("RFP") for detention beds in the vicinity of Laredo, Texas, the Company has elected to defer the development of the 722-bed expansion at its 480-bed Webb County Detention Center in Laredo, Texas. The Company instead will propose an expansion of its Webb County Detention Center to meet the specific requirements contained within the modified RFP, which is seeking up to 1,500 detention beds within a geographic area of 50 miles of Laredo, Texas. The Company expects that on or about December 31, 2006, the USMS will select a successful bidder from the proposals submitted.

### **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 three states. The Company currently operates 65 facilities, including 40 company-owned facilities, with a total design capacity of approximately 72,500 beds in 19 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, religious services, 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 as to the Company's beliefs and expectations of the outcome of future events that are forward-looking statements as defined within the meaning of 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. These include, but are not limited to, the risks and uncertainties associated with: (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) changes in the privatization of the corrections and detention industry, the public acceptance of the Company's services and the timing of the opening of and demand for new prison facilities and the commencement of new management contracts; (iii) the Company's ability to obtain and maintain correctional facility management contracts, including as the result of sufficient governmental appropriations and as the result of inmate disturbances; (iv) increases in costs to construct or expand correctional facilities that exceed original estimates, or the inability to complete such projects on schedule as a result of various factors, many of which are beyond the Company's control, such as weather, labor conditions and material shortages, resulting in increased construction costs; and (v) general economic and market conditions. Other factors that could cause operating and financial results to differ 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 to reflect events or circumstances occurring after the date hereof or the occurrence of unanticipated events 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.

Contact:  
Karin Demler,  
Investor Relations  
615-263-3005