



CORRECTIONS CORPORATION OF AMERICA

**Supplemental Financial Information
For the Quarter Ended September 30, 2005**

The Company's supplemental financial information and other data presented herein speaks only as of the date or period indicated (or as of the date posted, as the case may be), and the Company does not undertake any obligation, and disclaims any duty, to update any of this information. The Company's future financial performance is subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect the Company's future financial results are discussed more fully in our reports filed with the SEC. Readers are advised to refer to these reports for additional information concerning the Company. Readers are also advised that the Company's historical performance may not be indicative of future results. In addition, the information contained herein does not constitute an offer to sell or a solicitation to buy any of the Company's securities.

CORRECTIONS CORPORATION OF AMERICA

Supplemental Financial Information For the Quarter Ended September 30, 2005

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CONSOLIDATED BALANCE SHEETS
(Unaudited and amounts in thousands, except per share amounts)

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ASSETS	September 30, 2005	June 30, 2005	March 31, 2005	December 31, 2004	September 30, 2004
Cash and cash equivalents	\$ 66,402	\$ 45,951	\$ 48,407	\$ 50,938	\$ 60,010
Restricted cash	11,182	11,094	11,021	12,965	12,912
Investments	8,897	8,816	8,744	8,686	8,641
Accounts receivable, net of allowance	173,787	173,023	150,253	156,653	157,650
Deferred tax assets	38,365	50,271	56,756	56,410	51,662
Prepaid expenses and other current assets	18,816	26,456	18,830	16,636	15,791
Total current assets	<u>317,449</u>	<u>315,611</u>	<u>294,011</u>	<u>302,288</u>	<u>306,666</u>
Property and equipment, net	1,691,009	1,677,577	1,665,162	1,660,010	1,650,434
Investment in direct financing lease	16,520	16,713	16,899	17,073	17,255
Goodwill	15,425	15,425	15,425	15,563	15,563
Other assets	24,862	26,619	26,875	28,144	29,926
Total assets	<u>\$ 2,065,265</u>	<u>\$ 2,051,945</u>	<u>\$ 2,018,372</u>	<u>\$ 2,023,078</u>	<u>\$ 2,019,844</u>
LIABILITIES AND STOCKHOLDERS' EQUITY					
Accounts payable and accrued expenses	\$ 159,741	\$ 170,420	\$ 152,139	\$ 146,876	\$ 178,261
Income tax payable	2,032	2,058	6,404	22,207	2,572
Current portion of long-term debt	21,871	21,883	2,014	3,182	3,220
Total current liabilities	<u>183,644</u>	<u>194,361</u>	<u>160,557</u>	<u>172,265</u>	<u>184,053</u>
Long-term debt, net of current portion	964,236	964,694	985,166	999,113	999,868
Deferred tax liabilities	8,777	9,381	9,701	14,132	17,668
Other liabilities	20,843	21,083	21,408	21,574	21,673
Total liabilities	<u>1,177,500</u>	<u>1,189,519</u>	<u>1,176,832</u>	<u>1,207,084</u>	<u>1,223,262</u>
Commitments and contingencies					
Common stock - \$.01 par value	396	394	391	354	352
Additional paid-in capital	1,501,592	1,497,955	1,492,238	1,451,885	1,447,685
Deferred compensation	(6,431)	(7,338)	(7,641)	(1,736)	(2,019)
Retained deficit	(607,792)	(628,585)	(643,448)	(634,509)	(649,436)
Total stockholders' equity	<u>887,765</u>	<u>862,426</u>	<u>841,540</u>	<u>815,994</u>	<u>796,582</u>
Total liabilities and stockholders' equity	<u>\$ 2,065,265</u>	<u>\$ 2,051,945</u>	<u>\$ 2,018,372</u>	<u>\$ 2,023,078</u>	<u>\$ 2,019,844</u>

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited and amounts in thousands, except per share amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2005	2004	2005	2004
REVENUE:				
Management:				
Federal	\$ 118,511	\$ 108,849	\$ 341,565	\$ 318,174
State	149,207	137,895	424,645	409,437
Local	20,313	20,621	59,473	59,540
Other	11,947	11,070	35,450	32,902
Total management revenue	299,978	278,435	861,133	820,053
Transportation	3,254	5,298	11,123	14,687
Rental	999	971	2,955	2,874
Other	136	100	232	278
	<u>304,367</u>	<u>284,804</u>	<u>875,443</u>	<u>837,892</u>
EXPENSES:				
Operating:				
Facility fixed	166,292	157,730	490,156	461,576
Facility variable	54,695	51,648	157,746	152,170
Transportation	4,952	6,446	16,208	19,734
Other	67	210	243	586
Total operating expenses	226,006	216,034	664,353	634,066
General and administrative	14,352	12,328	40,477	35,350
Depreciation and amortization	15,315	13,969	44,132	39,950
	<u>255,673</u>	<u>242,331</u>	<u>748,962</u>	<u>709,366</u>
OPERATING INCOME	<u>48,694</u>	<u>42,473</u>	<u>126,481</u>	<u>128,526</u>
OTHER (INCOME) EXPENSE:				
Interest expense, net	15,273	16,831	48,245	51,809
Expenses associated with debt refinancing and recapitalization transactions	-	-	35,269	101
Other (income) expenses	191	239	240	494
	<u>15,464</u>	<u>17,070</u>	<u>83,754</u>	<u>52,404</u>
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	33,230	25,403	42,727	76,122
Income tax expense	(12,437)	(8,769)	(15,817)	(29,412)
INCOME FROM CONTINUING OPERATIONS	20,793	16,634	26,910	46,710
Income (loss) from discontinued operations, net of taxes	-	374	(193)	906
NET INCOME	20,793	17,008	26,717	47,616
Distributions to preferred stockholders	-	-	-	(1,462)
NET INCOME AVAILABLE TO COMMON STOCKHOLDERS	<u>\$ 20,793</u>	<u>\$ 17,008</u>	<u>\$ 26,717</u>	<u>\$ 46,154</u>
BASIC EARNINGS PER SHARE	<u>\$ 0.53</u>	<u>\$ 0.49</u>	<u>\$ 0.70</u>	<u>\$ 1.32</u>
DILUTED EARNINGS PER SHARE	<u>\$ 0.52</u>	<u>\$ 0.43</u>	<u>\$ 0.67</u>	<u>\$ 1.18</u>

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited and amounts in thousands, except per share amounts)

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	As Adjusted for Discontinued Operations		
	March 31, 2005	For the Three Months Ended June 30, 2005	September 30, 2005
REVENUE:			
Management:			
Federal	\$ 109,315	\$ 113,739	\$ 118,511
State	135,462	139,976	149,207
Local	19,754	19,406	20,313
Other	11,563	11,940	11,947
Total management revenue	276,094	285,061	299,978
Transportation	3,740	4,129	3,254
Rental	972	984	999
Other	81	15	136
	<u>280,887</u>	<u>290,189</u>	<u>304,367</u>
EXPENSES:			
Operating:			
Facility fixed	160,328	163,536	166,292
Facility variable	49,097	53,954	54,695
Transportation	5,198	6,058	4,952
Other	127	49	67
Total operating expenses	214,750	223,597	226,006
General and administrative	12,538	13,587	14,352
Depreciation and amortization	14,037	14,780	15,315
	<u>241,325</u>	<u>251,964</u>	<u>255,673</u>
OPERATING INCOME	<u>39,562</u>	<u>38,225</u>	<u>48,694</u>
OTHER (INCOME) EXPENSE:			
Interest expense, net	17,428	15,544	15,273
Expenses associated with debt refinancing and recapitalization transactions	35,032	237	-
Other (income) expenses	(124)	173	191
	<u>52,336</u>	<u>15,954</u>	<u>15,464</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(12,774)	22,271	33,230
Income tax benefit (expense)	4,455	(7,835)	(12,437)
INCOME (LOSS) FROM CONTINUING OPERATIONS	(8,319)	14,436	20,793
Income (loss) from discontinued operations, net of taxes	(620)	427	-
NET INCOME (LOSS)	(8,939)	14,863	20,793
Distributions to preferred stockholders	-	-	-
NET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS	<u>\$ (8,939)</u>	<u>\$ 14,863</u>	<u>\$ 20,793</u>
BASIC EARNINGS PER SHARE	<u>\$ (0.24)</u>	<u>\$ 0.38</u>	<u>\$ 0.53</u>
DILUTED EARNINGS PER SHARE	<u>\$ (0.24)</u>	<u>\$ 0.37</u>	<u>\$ 0.52</u>
TOTAL COMPENSATED MAN-DAYS	5,533,030	5,666,552	5,902,426
TOTAL AVAILABLE BED-DAYS	6,176,283	6,288,282	6,369,712
AVERAGE COMPENSATED OCCUPANCY	89.6%	90.1%	92.7%

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited and amounts in thousands, except per share amounts)

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	As Adjusted for Discontinued Operations			
	March 31, 2004	June 30, 2004	September 30, 2004	December 31, 2004
REVENUE:				
Management:				
Federal	\$ 101,411	\$ 107,914	\$ 108,849	\$ 111,467
State	133,654	137,888	137,895	140,143
Local	19,163	19,756	20,621	19,953
Other	10,917	10,915	11,070	11,414
Total management revenue	265,145	276,473	278,435	282,977
Transportation	5,077	4,312	5,298	4,455
Rental	948	955	971	971
Other	17	161	100	92
	<u>271,187</u>	<u>281,901</u>	<u>284,804</u>	<u>288,495</u>
EXPENSES:				
Operating:				
Facility fixed	149,217	154,629	157,730	156,764
Facility variable	48,935	51,587	51,648	54,157
Transportation	6,602	6,686	6,446	5,347
Other	181	195	210	32
Total operating expenses	204,935	213,097	216,034	216,300
General and administrative	10,969	12,053	12,328	12,836
Depreciation and amortization	12,836	13,145	13,969	14,495
	<u>228,740</u>	<u>238,295</u>	<u>242,331</u>	<u>243,631</u>
OPERATING INCOME	<u>42,447</u>	<u>43,606</u>	<u>42,473</u>	<u>44,864</u>
OTHER (INCOME) EXPENSE:				
Interest expense, net	17,641	17,337	16,831	17,368
Expenses associated with debt refinancing and recapitalization transactions	25	76	-	-
Other (income) expenses	46	209	239	449
	<u>17,712</u>	<u>17,622</u>	<u>17,070</u>	<u>17,817</u>
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	24,735	25,984	25,403	27,047
Income tax expense	(9,894)	(10,749)	(8,769)	(12,102)
INCOME FROM CONTINUING OPERATIONS	14,841	15,235	16,634	14,945
Income (loss) from discontinued operations, net of taxes	343	189	374	(18)
NET INCOME	15,184	15,424	17,008	14,927
Distributions to preferred stockholders	(814)	(648)	-	-
NET INCOME AVAILABLE TO COMMON STOCKHOLDERS	<u>\$ 14,370</u>	<u>\$ 14,776</u>	<u>\$ 17,008</u>	<u>\$ 14,927</u>
BASIC EARNINGS PER SHARE	<u>\$ 0.41</u>	<u>\$ 0.42</u>	<u>\$ 0.49</u>	<u>\$ 0.42</u>
DILUTED EARNINGS PER SHARE	<u>\$ 0.37</u>	<u>\$ 0.38</u>	<u>\$ 0.43</u>	<u>\$ 0.38</u>
TOTAL COMPENSATED MAN-DAYS	5,424,331	5,619,279	5,683,832	5,686,367
TOTAL AVAILABLE BED-DAYS	5,666,656	5,854,030	5,973,865	6,123,297
AVERAGE COMPENSATED OCCUPANCY	95.7%	96.0%	95.1%	92.9%

RECONCILIATION OF BASIC TO DILUTED EARNINGS PER SHARE

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(Unaudited and amounts in thousands, except per share amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2005	2004	2005	2004
Basic:				
Income from continuing operations	\$ 20,793	\$ 16,634	\$ 26,910	\$ 45,248
Income (loss) from discontinued operations, net of taxes	-	374	(193)	906
Net income available to common stockholders	\$ 20,793	\$ 17,008	\$ 26,717	\$ 46,154
Diluted:				
Income from continuing operations	\$ 20,793	\$ 16,634	\$ 26,910	\$ 45,248
Interest expense applicable to convertible notes, net of taxes	-	199	124	553
Diluted income from continuing operations	20,793	16,833	27,034	45,801
Income (loss) from discontinued operations, net of taxes	-	374	(193)	906
Diluted net income available to common stockholders	\$ 20,793	\$ 17,207	\$ 26,841	\$ 46,707
Basic:				
Weighted average common shares outstanding	39,430	35,202	38,484	35,148
Unvested restricted common stock	(323)	(141)	(290)	(134)
Weighted average common shares outstanding-basic	39,107	35,061	38,194	35,014
Diluted:				
Weighted average common shares outstanding-basic	39,107	35,061	38,194	35,014
Effect of dilutive securities:				
Stock options and warrants	1,085	1,330	1,174	1,304
Convertible notes	-	3,362	727	3,362
Restricted stock-based compensation	124	63	102	55
Weighted average shares and assumed conversions-diluted	40,316	39,816	40,197	39,735
Basic earnings per share:				
Income from continuing operations	\$ 0.53	\$ 0.48	\$ 0.71	\$ 1.29
Income (loss) from discontinued operations, net of taxes	-	0.01	(0.01)	0.03
Net income available to common stockholders	\$ 0.53	\$ 0.49	\$ 0.70	\$ 1.32
Diluted earnings per share:				
Income from continuing operations	\$ 0.52	\$ 0.42	\$ 0.67	\$ 1.16
Income (loss) from discontinued operations, net of taxes	-	0.01	-	0.02
Diluted net income available to common stockholders	\$ 0.52	\$ 0.43	\$ 0.67	\$ 1.18

SELECTED FINANCIAL INFORMATION
(Unaudited and amounts in thousands, except per share amounts)

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	<u>September 30, 2005</u>	<u>June 30, 2005</u>	<u>March 31, 2005</u>	<u>December 31, 2004</u>	<u>September 30, 2004</u>
BALANCE SHEET:					
Property and equipment	\$ 2,034,759	\$ 2,005,134	\$ 1,977,176	\$ 1,957,030	\$ 1,933,564
Accumulated depreciation and amortization	(343,750)	(327,557)	(312,014)	(297,020)	(283,130)
Property and equipment, net	<u>\$ 1,691,009</u>	<u>\$ 1,677,577</u>	<u>\$ 1,665,162</u>	<u>\$ 1,660,010</u>	<u>\$ 1,650,434</u>
Total assets	\$ 2,065,265	\$ 2,051,945	\$ 2,018,372	\$ 2,023,078	\$ 2,019,844
Maintenance & technology capital expenditures for the quarter ended	\$ 6,628	\$ 10,619	\$ 7,632	\$ 12,770	\$ 11,145
Total debt	\$ 986,107	\$ 986,577	\$ 987,180	\$ 1,002,295	\$ 1,003,088
Equity book value	\$ 887,765	\$ 862,426	\$ 841,540	\$ 815,994	\$ 796,582
LIQUIDITY:					
Cash and cash equivalents	\$ 66,402	\$ 45,951	\$ 48,407	\$ 50,938	\$ 60,010
Investments	\$ 8,897	\$ 8,816	\$ 8,744	\$ 8,686	\$ 8,641
Availability under revolving credit facility	\$ 66,380	\$ 64,774	\$ 88,274	\$ 88,274	\$ 89,871
CAPITALIZATION:					
Common shares outstanding	39,552	39,369	39,129	35,415	35,235
Common share price at end of period	\$ 39.70	\$ 39.25	\$ 38.60	\$ 40.45	\$ 35.36
Market value of common equity at end of period	<u>\$ 1,570,214</u>	<u>\$ 1,545,233</u>	<u>\$ 1,510,379</u>	<u>\$ 1,432,537</u>	<u>\$ 1,245,910</u>
Total equity market capitalization	<u>\$ 1,570,214</u>	<u>\$ 1,545,233</u>	<u>\$ 1,510,379</u>	<u>\$ 1,432,537</u>	<u>\$ 1,245,910</u>
Total market capitalization (market value of equity plus debt)	<u>\$ 2,556,321</u>	<u>\$ 2,531,810</u>	<u>\$ 2,497,559</u>	<u>\$ 2,434,832</u>	<u>\$ 2,248,998</u>
EBITDA	\$ 63,818	\$ 52,595	\$ 18,691	\$ 58,910	\$ 56,203
ADJUSTED EBITDA	\$ 63,818	\$ 52,832	\$ 53,723	\$ 58,910	\$ 56,203
ADJUSTED FREE CASH FLOW	\$ 43,585	\$ 27,431	\$ 15,697	\$ 30,116	\$ 29,690
ADJUSTED FREE CASH FLOW PER SHARE:					
Basic adjusted free cash flow per share	<u>\$ 1.11</u>	<u>\$ 0.71</u>	<u>\$ 0.43</u>	<u>\$ 0.86</u>	<u>\$ 0.85</u>
Diluted adjusted free cash flow per share	<u>\$ 1.08</u>	<u>\$ 0.68</u>	<u>\$ 0.39</u>	<u>\$ 0.76</u>	<u>\$ 0.75</u>

SELECTED FINANCIAL INFORMATION
(Unaudited and amounts in thousands, except per share amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2005	2004	2005	2004
Number of days per period	92	92	273	274
ALL FACILITIES:				
Average available beds	<u>69,236</u>	<u>64,933</u>	<u>68,990</u>	<u>63,849</u>
Average compensated occupancy	<u>92.7%</u>	<u>95.1%</u>	<u>90.8%</u>	<u>95.6%</u>
Total compensated man-days	<u>5,902,426</u>	<u>5,683,832</u>	<u>17,102,008</u>	<u>16,727,442</u>
Revenue per compensated man-day	\$ 50.82	\$ 48.99	\$ 50.35	\$ 49.02
Operating expenses per compensated man-day:				
Fixed expense	28.17	27.75	28.66	27.59
Variable expense	9.27	9.09	9.22	9.10
Total	<u>37.44</u>	<u>36.84</u>	<u>37.88</u>	<u>36.69</u>
Operating margin per compensated man-day	<u>\$ 13.38</u>	<u>\$ 12.15</u>	<u>\$ 12.47</u>	<u>\$ 12.33</u>
Operating margin rate	<u>26.3%</u>	<u>24.8%</u>	<u>24.8%</u>	<u>25.2%</u>
DEPRECIATION AND AMORTIZATION:				
Depreciation expense	16,309	14,815	47,242	42,489
Amortization of goodwill	-	-	-	-
Amortization of intangible assets	32	32	96	96
Amortization of negative contract values	(1,026)	(878)	(3,206)	(2,635)
Depreciation and amortization	<u>\$ 15,315</u>	<u>\$ 13,969</u>	<u>\$ 44,132</u>	<u>\$ 39,950</u>
ADJUSTED FREE CASH FLOW:				
Pre-tax income available to common stockholders	\$ 33,230	\$ 25,777	\$ 42,534	\$ 75,566
Expenses associated with debt refinancing and recapitalization transactions	-	-	35,269	101
Income taxes paid	(171)	(693)	(15,636)	(3,341)
Depreciation and amortization	15,315	13,969	44,132	39,950
Depreciation and amortization for discontinued operations	-	39	186	113
Income tax (benefit) expense for discontinued operations	-	197	(101)	556
Amortization of stock-based compensation reflected in G&A expenses	510	-	1,174	-
Amortization of debt costs and other non-cash interest	1,329	1,546	4,034	5,220
Maintenance and technology capital expenditures	(6,628)	(11,145)	(24,879)	(35,653)
Adjusted free cash flow	<u>\$ 43,585</u>	<u>\$ 29,690</u>	<u>\$ 86,713</u>	<u>\$ 82,512</u>
ADJUSTED FREE CASH FLOW PER SHARE:				
Basic	<u>\$ 1.11</u>	<u>\$ 0.85</u>	<u>\$ 2.27</u>	<u>\$ 2.36</u>
Diluted	<u>\$ 1.08</u>	<u>\$ 0.75</u>	<u>\$ 2.16</u>	<u>\$ 2.09</u>

SELECTED FINANCIAL INFORMATION
(Unaudited and amounts in thousands, except per share amounts)

	<u>For the Three Months Ended September 30, 2005</u>	<u>2004</u>	<u>For the Nine Months Ended September 30, 2005</u>	<u>2004</u>
MANAGED ONLY FACILITIES:				
Management revenue	\$ 85,882	\$ 81,299	\$ 246,115	\$ 235,069
Operating expenses:				
Fixed expense	51,631	49,126	153,954	143,466
Variable expense	18,014	17,555	53,649	50,585
Total	<u>69,645</u>	<u>66,681</u>	<u>207,603</u>	<u>194,051</u>
Contribution	<u>\$ 16,237</u>	<u>\$ 14,618</u>	<u>\$ 38,512</u>	<u>\$ 41,018</u>
Average available beds	<u>25,284</u>	<u>23,250</u>	<u>25,038</u>	<u>22,590</u>
Average compensated occupancy	<u>97.4%</u>	<u>104.3%</u>	<u>96.7%</u>	<u>103.3%</u>
Total compensated man-days	<u>2,266,306</u>	<u>2,231,003</u>	<u>6,608,938</u>	<u>6,392,107</u>
Revenue per compensated man-day	\$ 37.90	\$ 36.44	\$ 37.24	\$ 36.77
Operating expenses per compensated man-day:				
Fixed expense	22.78	22.02	23.29	22.44
Variable expense	7.95	7.87	8.12	7.91
Total	<u>30.73</u>	<u>29.89</u>	<u>31.41</u>	<u>30.35</u>
Operating margin per compensated man-day	<u>\$ 7.17</u>	<u>\$ 6.55</u>	<u>\$ 5.83</u>	<u>\$ 6.42</u>
Operating margin rate	<u>18.9%</u>	<u>18.0%</u>	<u>15.7%</u>	<u>17.5%</u>
OWNED AND MANAGED FACILITIES:				
Management revenue	\$ 214,096	\$ 197,136	\$ 615,018	\$ 584,984
Operating expenses:				
Fixed expense	114,661	108,604	336,202	318,110
Variable expense	36,681	34,093	104,097	101,585
Total	<u>151,342</u>	<u>142,697</u>	<u>440,299</u>	<u>419,695</u>
Contribution	<u>\$ 62,754</u>	<u>\$ 54,439</u>	<u>\$ 174,719</u>	<u>\$ 165,289</u>
Average available beds	<u>43,952</u>	<u>41,683</u>	<u>43,952</u>	<u>41,259</u>
Average compensated occupancy	<u>89.9%</u>	<u>90.0%</u>	<u>87.5%</u>	<u>91.4%</u>
Total compensated man-days	<u>3,636,120</u>	<u>3,452,829</u>	<u>10,493,070</u>	<u>10,335,335</u>
Revenue per compensated man-day	\$ 58.88	\$ 57.09	\$ 58.61	\$ 56.60
Operating expenses per compensated man-day:				
Fixed	31.53	31.45	32.04	30.78
Variable	10.09	9.87	9.92	9.83
Total	<u>41.62</u>	<u>41.32</u>	<u>41.96</u>	<u>40.61</u>
Operating margin per compensated man-day	<u>\$ 17.26</u>	<u>\$ 15.77</u>	<u>\$ 16.65</u>	<u>\$ 15.99</u>
Operating margin rate	<u>29.3%</u>	<u>27.6%</u>	<u>28.4%</u>	<u>28.3%</u>

ANALYSIS OF OUTSTANDING DEBT

(Unaudited and amounts in thousands)

	Outstanding Balance 12/31/2004	Outstanding Balance 9/30/2005	Stated Interest Rate	Effective Interest Rate ¹⁾	Maturity Date	Callable/ Redeemable
Fixed Rate:						
\$250.0 Million Senior Notes	\$ 250,000	\$ -	9.875%	10.42%	May 2009	
\$250.0 Million Senior Notes	250,000	250,000	7.50%	7.88%	May 2011	On or prior to May 1, 2006, 35% redeemable at 107.5% with proceeds from equity offerings; on or after May 1, 2007, 100% redeemable at various premium prices until May 1, 2009 at par
\$200.0 Million Senior Notes	201,839	201,621	7.50%	7.65%	May 2011	On or prior to May 1, 2006, 35% redeemable at 107.5% with proceeds from equity offerings; on or after May 1, 2007, 100% redeemable at various premium prices until May 1, 2009 at par
\$375.0 Million Senior Notes	-	375,000	6.25%	6.50%	March 2013	On or prior to March 15, 2008, 35% redeemable at 106.25% with proceeds from equity offerings; on or after March 15, 2009, 100% redeemable at various premium prices until March 15, 2011 at par
\$30.0 Million Convertible Notes	30,000	-	4.00%	4.02%	February 2007	
Other Debt	321	186	Various	Various	Various	
Total Fixed Rate Debt	732,160	826,807				
Floating Rate:						
Lehman Credit Facility, Term	270,135	139,300			March 31, 2008	
\$125.0 Million Revolver	-	20,000			March 31, 2006	
Total Floating Rate Debt	270,135	159,300	6.04%	6.90%		
Grand Total Debt	\$ 1,002,295	\$ 986,107	6.79%	7.15%	5.74	⁵⁾

¹⁾ Includes amortization of debt issuance costs, net of debt premiums.

²⁾ The variable interest rate on the Term portion of the Lehman Credit Facility is LIBOR + 1.75%.

³⁾ The variable interest rate is LIBOR + 1.50%. As of September 30, 2005, the Company had outstanding letters of credit totaling \$38.6 million, reducing the available borrowing capacity to \$66.4 million.

⁴⁾ The stated and effective interest rates reflect the combined interest expense and amortization of debt issuance costs on both the term portion of the Lehman Credit Facility and the revolver.

⁵⁾ Represents the weighted average debt maturity in years.

Debt Maturity Schedule:

Year	Total Debt Maturing	% of Debt Maturing	% of Debt Maturing
2005	\$ 469	0.05%	0.05%
2006	21,829	2.21%	2.26%
2007	103,540	10.50%	12.76%
2008	34,590	3.51%	16.27%
2009	290	0.03%	16.30%
Thereafter	825,389	83.70%	100.00%
	\$ 986,107	100.00%	

SELECTED OPERATING RATIOS
(Unaudited and amounts in thousands, except per share amounts)

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	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2005	2004	2005	2004
<u>COVERAGE RATIOS:</u>				
Interest coverage ratio (Adjusted EBITDA/Interest incurred) (x)	3.8	3.1	3.3	3.1
Debt service coverage ratio (Adjusted EBITDA/(Interest incurred + Scheduled principal pmts)) (x)	3.7	3.1	3.2	3.1
Fixed charge coverage ratio (Adjusted EBITDA/(Interest incurred + Scheduled prin pmts + Pfd dist.)) (x)	3.7	3.1	3.2	3.0
Senior debt coverage ratio (Senior debt/Annualized Adjusted EBITDA) (x)	3.9	4.3	4.3	4.3
Total debt and preferred stock coverage ratio (Total debt and pfd stk/Annualized Adjusted EBITDA) (x)	3.9	4.5	4.3	4.5
Accounts receivable turnover (Annualized revenues/Accounts receivable) (x)	7.0	7.2	6.7	7.1
<u>DEBT/EQUITY RATIOS:</u>				
Total debt/Total market capitalization	38.6%	44.6%	38.6%	44.6%
Total debt/Equity market capitalization	62.8%	80.5%	62.8%	80.5%
Total debt/Book equity capitalization	111.1%	125.9%	111.1%	125.9%
Total debt/Gross book value of real estate assets	48.1%	51.4%	48.1%	51.4%
<u>RETURN ON INVESTMENT RATIOS:</u>				
Annualized return on operating real estate investments (Annualized Adjusted EBITDA/Average operating real estate investments (undepreciated book value)*)	12.5%	11.6%	11.3%	11.8%
Annualized return on total assets (Annualized Adjusted EBITDA/Average total assets (undepreciated book value)*)	10.7%	9.9%	9.6%	9.9%
<u>OVERHEAD RATIOS:</u>				
Annualized general & administrative expenses/Average total assets (undepreciated book value)*	2.4%	2.2%	2.3%	2.1%
General & administrative expenses/Total revenues	4.7%	4.3%	4.6%	4.2%
<u>INTEREST EXPENSE, NET</u>				
Interest income from continuing operations	\$ (1,404)	\$ (975)	\$ (3,803)	\$ (2,912)
Interest incurred	16,773	18,008	51,703	53,949
Amortization of debt costs and other non-cash interest	1,329	1,546	4,034	5,220
Capitalized interest	(1,425)	(1,748)	(3,689)	(4,448)
Interest expense, net	<u>\$ 15,273</u>	<u>\$ 16,831</u>	<u>\$ 48,245</u>	<u>\$ 51,809</u>
<u>EBITDA CALCULATION:</u>				
Net income	\$ 20,793	\$ 17,008	\$ 26,717	\$ 47,616
Interest expense, net	15,273	16,831	48,245	51,809
Depreciation and amortization	15,315	13,969	44,132	39,950
Income tax (benefit) expense	12,437	8,769	15,817	29,412
(Income) loss from discontinued operations, net of taxes	-	(374)	193	(906)
EBITDA	<u>63,818</u>	<u>56,203</u>	<u>135,104</u>	<u>167,881</u>
Expenses associated with debt refinancing and recapitalization transactions	-	-	35,269	101
ADJUSTED EBITDA	<u>\$ 63,818</u>	<u>\$ 56,203</u>	<u>\$ 170,373</u>	<u>\$ 167,982</u>

*Calculated as a simple average (beginning of period plus end of period divided by 2)

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 9/30/05
Owned and Managed Facilities:								
Central Arizona Detention Center Florence, Arizona	1994, 1998	USMS	2,304	Multi	Detention	May-06	(2) 1 year	139.86%
Eloy Detention Center Eloy, Arizona	1995, 1996	BOP, ICE	1,500	Low	Detention	Feb-06	(3) 1 year	94.55%
Florence Correctional Center Florence, Arizona	1999, 2004	State of Alaska	1,824	Multi	Correctional	Jun-08	(6) 1 year	87.58%
California City Correctional Center California City, California	1999	BOP	2,304	Medium	Correctional	Sep-06	(4) 1 year	113.67%
San Diego Correctional Facility (E) San Diego, California	1999, 2000	ICE	1,216	Minimum/ Medium	Detention	Jun-08	(5) 3 year	100.00%
Bent County Correctional Facility Las Animas, Colorado	1992, 1997	State of Colorado	700	Medium	Correctional	Jun-06	(2) 1 year	97.53%
Crowley County Correctional Facility Olney Springs, Colorado	1998, 2004	State of Colorado	1,794	Medium	Correctional	Jun-06	(2) 1 year	53.79%
Huerfano County Correctional Center (F) Walsenburg, Colorado	1997	State of Colorado	752	Medium	Correctional	Jun-06	(2) 1 year	93.97%
Kit Carson Correctional Center Burlington, Colorado	1998	State of Colorado	768	Medium	Correctional	Jun-06	(2) 1 year	99.60%
Coffee Correctional Facility (G) Nicholls, Georgia	1998, 1999	State of Georgia	1,524	Medium	Correctional	Jul-05	(14) 1 year	97.99%
McRae Correctional Facility McRae, Georgia	2000, 2002	BOP	1,524	Low	Correctional	Dec-05	(7) 1 year	99.14%
Stewart County Correctional Facility (H) Lumpkin, Georgia	2004	-	273	Medium	Correctional	-	-	0.00%
Wheeler Correctional Facility (G) Alamo, Georgia	1998, 1999	State of Georgia	1,524	Medium	Correctional	Jul-05	(14) 1 year	97.73%
Leavenworth Detention Center Leavenworth, Kansas	1992, 2000, 2004	USMS	767	Maximum	Detention	Dec-05	-	119.38%
Lee Adjustment Center Beattyville, Kentucky	1990	State of Vermont	816	Minimum/ Medium	Correctional	Jun-07	-	88.01%

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 9/30/05
Marion Adjustment Center St. Mary, Kentucky	1955, 1988	Commonwealth of Kentucky	826	Minimum	Correctional	Dec-07	(3) 2 year	97.41%
Otter Creek Correctional Center (I) Wheelwright, Kentucky	1993	Commonwealth of Kentucky	656	Minimum/ Medium	Correctional	Jul-07	(4) 2 year	27.84%
Prairie Correctional Facility Appleton, Minnesota	1991	State of Minnesota	1,550	Medium	Correctional	Jun-06	(1) 1 year	65.02%
Tallahatchie County Correctional Facility (J) Tutwiler, Mississippi	2000	State of Hawaii	1,104	Medium	Correctional	Jun-06	-	90.47%
Crossroads Correctional Center (K) Shelby, Montana	1999	State of Montana	568	Multi	Correctional	Aug-07	(6) 2 year	95.48%
Cibola County Corrections Center Milan, New Mexico	1994, 1999	BOP	1,129	Low	Correctional	Sep-06	(4) 1 year	100.07%
New Mexico Women's Correctional Facility Grants, New Mexico	1989, 2000	State of New Mexico	596	Multi	Correctional	Jun-09	-	106.78%
Torrance County Detention Facility Estancia, New Mexico	1990, 1997	USMS	910	Multi	Detention	Indefinite	-	95.74%
Northeast Ohio Correctional Center Youngstown, Ohio	1997	BOP	2,016	Low	Correctional	May-09	(3) 2 year	65.56%
Cimarron Correctional Facility (L) Cushing, Oklahoma	1997	State of Oklahoma	960	Medium	Correctional	Jun-06	(3) 1 year	100.53%
Davis Correctional Facility (L) Holdenville, Oklahoma	1996	State of Oklahoma	960	Medium	Correctional	Jun-06	(3) 1 year	100.86%
Diamondback Correctional Facility Watonga, Oklahoma	1998, 2000	State of Arizona	2,160	Medium	Correctional	Jun-06	(1) 1 year	93.68%
North Fork Correctional Facility (M) Sayre, Oklahoma	1998	-	1,440	Medium	Correctional	-	-	0.00%
West Tennessee Detention Facility Mason, Tennessee	1990, 1996	USMS	600	Multi	Detention	Feb-06	(1) 1 year	76.64%
Shelby Training Center (N) Memphis, Tennessee	1986, 1995	Shelby County, TN	200	Secure	Juvenile	Apr-15	-	91.38%
Whiteville Correctional Facility (O) Whiteville, Tennessee	1998	State of Tennessee	1,536	Medium	Correctional	Sep-05	(2) 1 year	96.78%
Bridgeport Pre-Parole Transfer Facility Bridgeport, Texas	1989	State of Texas	200	Medium	Correctional	Feb-07	(4) 1 year	98.06%

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 9/30/05
Eden Detention Center Eden, Texas	1990	BOP	1,225	Low	Correctional	Apr-06	(1) 1 year	115.14%
Houston Processing Center Houston, Texas	1984, 2005	ICE	905	Medium	Detention	Sep-06	(2) 1 year	90.72%
Laredo Processing Center Laredo, Texas	1985, 1990	ICE	258	Minimum/ Medium	Detention	Dec-09	Indefinite	146.07%
Webb County Detention Center Laredo, Texas	1998	USMS	480	Medium	Detention	Feb-06	-	107.47%
Mineral Wells Pre-Parole Transfer Facility Mineral Wells, Texas	1995	State of Texas	2,103	Minimum	Correctional	Feb-07	(4) 1 year	96.87%
T. Don Hutto Correctional Center Taylor, Texas	1997	USMS	480	Minimum	Correctional	Nov-05	Indefinite	22.86%
D.C. Correctional Treatment Facility (P) Washington D.C.	1992	District of Columbia	1,500	Medium	Detention	Mar-17	-	76.98%
Total design capacity for Owned and Managed Facilities (39 Owned and Managed Facilities)			<u>43,952</u>					
Managed Only Facilities:								
Bay Correctional Facility Panama City, Florida	N/A	State of Florida	750	Medium	Correctional	Jun-07	-	99.52%
Bay County Jail and Annex Panama City, Florida	N/A	Bay County, FL	1,150	Multi	Detention	Sep-06	-	79.11%
Citrus County Detention Facility Lecanto, Florida	N/A	Citrus County, FL	400	Multi	Detention	Sep-15	(1) 5 year	105.76%
Gadsden Correctional Institution Quincy, Florida	N/A	State of Florida	1,036	Minimum/ Medium	Correctional	Jun-07	-	99.51%
Hernando County Jail Brooksville, Florida	N/A	Hernando County, FL	348	Multi	Detention	Oct-10	-	142.49%
Lake City Correctional Facility Lake City, Florida	N/A	State of Florida	893	Secure	Correctional	Jun-06	-	99.95%
Idaho Correctional Center Boise, Idaho	N/A	State of Idaho	1,270	Minimum/ Medium	Correctional	Jun-09	-	100.88%
Marion County Jail Indianapolis, Indiana	N/A	Marion County, IN	1,030	Multi	Detention	Aug-05	-	95.27%

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 9/30/05
Winn Correctional Center Winnfield, Louisiana	N/A	State of Louisiana	1,538	Medium/ Maximum	Correctional	Sep-06	(1) 2 year	101.80%
Delta Correctional Facility Greenwood, Mississippi	N/A	State of Mississippi	1,172	Minimum/ Medium	Correctional	Jul-05	(1) 2 year	93.67%
Wilkinson County Correctional Facility Woodville, Mississippi	N/A	State of Mississippi	1,000	Medium	Correctional	Sep-05	(3) 1 year	98.33%
Elizabeth Detention Center Elizabeth, New Jersey	N/A	ICE	300	Minimum	Detention	Sep-08	(5) 3 year	100.00%
Silverdale Facilities Chattanooga, Tennessee	N/A	Hamilton County, TN	918	Multi	Detention	Feb-07	Indefinite	92.93%
South Central Correctional Center Clifton, Tennessee	N/A	State of Tennessee	1,676	Medium	Correctional	Jul-07	-	96.90%
Metro-Davidson County Detention Facility Nashville, Tennessee	N/A	Davidson County, TN	1,092	Multi	Detention	Jul-06	(2) 1 year	85.17%
Hardeman County Correctional Facility Whiteville, Tennessee	N/A	State of Tennessee	2,016	Medium	Correctional	Jul-07	-	97.27%
B. M. Moore Correctional Center Overton, Texas	N/A	State of Texas	500	Minimum/ Medium	Correctional	Jan-07	(2) 1 year	99.77%
Bartlett State Jail Bartlett, Texas	N/A	State of Texas	1,001	Minimum/ Medium	Correctional	Jan-07	(4) 1 year	99.79%
Bradshaw State Jail Henderson, Texas	N/A	State of Texas	1,980	Minimum/ Medium	Correctional	Jan-07	(4) 1 year	99.66%
Dawson State Jail Dallas, Texas	N/A	State of Texas	2,216	Minimum/ Medium	Correctional	Jan-07	(4) 1 year	97.44%
Diboll Correctional Center Diboll, Texas	N/A	State of Texas	518	Minimum/ Medium	Correctional	Jan-07	(2) 1 year	99.90%

FACILITY PORTFOLIO

<u>Facility Name</u>	<u>Year Constructed (A)</u>	<u>Primary Customer</u>	<u>Design Capacity (B)</u>	<u>Security Level</u>	<u>Facility Type (C)</u>	<u>Term</u>	<u>Remaining Renewal Options (D)</u>	<u>Compensated Occupancy % for the Quarter ended 9/30/05</u>
Liberty County Jail/Juvenile Center Liberty, Texas	N/A	Liberty County, Texas	380	Multi	Detention	Jan-07	(1) 3 year	88.85%
Lindsey State Jail Jacksboro, Texas	N/A	State of Texas	1,031	Minimum/ Medium	Correctional	Jan-07	(4) 1 year	99.29%
Willacy State Jail Raymondville, Texas	N/A	State of Texas	1,069	Minimum/ Medium	Correctional	Jan-07	(4) 1 year	98.12%
Total design capacity for Managed Only Facilities (24 Managed Only Facilities)			<u>25,284</u>					
Total design capacity for All Facilities			<u><u>69,236</u></u>					
Leased Facilities:								
Leo Chesney Correctional Center Live Oak, California	1989	Cornell Corrections	240	Minimum	Owned/Leased	Jun-06	-	N/A
Queensgate Correctional Facility Cincinnati, Ohio	1906	Hamilton County, OH	850	Medium	Owned/Leased	Feb-06	(1) 1 year	N/A
Community Education Partners (Q) Houston, Texas	N/A	Community Education Partners	-	Non-secure	Owned/Leased	Jun-08	(3) 5 year	N/A

(A) The year constructed represents the initial completion of the facility's construction, as well as significant additions to the facility that occurred at a later date.

(B) Design capacity measures the number of beds, and accordingly, the number of inmates each facility is designed to accommodate. Facilities housing detainees on a short term basis may exceed the original intended design capacity for sentenced inmates due to the lower level of services required by detainees in custody for a brief period. From time to time, we may evaluate the design capacity of our facilities based on the customers using the facilities, and the ability to reconfigure space with minimal capital outlays. We believe design capacity is an appropriate measure for evaluating prison operations, because the revenue generated by each facility is based on a per diem or monthly rate per inmate housed at the facility paid by the corresponding contracting governmental entity.

(C) We manage numerous facilities that have more than a single function (i.e., housing both long-term sentenced adult prisoners and pre-trial detainees). The primary functional categories into which facility types are identified was determined by the relative size of prisoner populations in a particular facility on September 30, 2005. If, for example, a 1,000-bed facility housed 900 adult prisoners with sentences in excess of one year and 100 pre-trial detainees, the primary functional category to which it would be assigned would be that of correction facilities and not detention facilities. It should be understood that the primary functional category to which multi-user facilities are assigned may change from time to time.

(D) Remaining renewal options represents the number of renewals options, if applicable, and the remaining term of each option renewal.

(E) The facility is subject to a ground lease with the County of San Diego whereby the initial lease term is 18 years from the commencement of the contract, as defined. The County has the right to buy out all, or designated portions of, the premises at various times prior to the expiration of the term at a price generally equal to the cost of the premises, or the designated portion of the premises, less an allowance for the amortization over a 20-year period. Upon expiration of the lease, ownership of the facility automatically reverts to the County of San Diego.

(F) The facility is subject to a purchase option held by Huerfano County which grants Huerfano County the right to purchase the facility upon an early termination of the contract at a price generally equal to the cost of the facility plus 80% of the percentage increase in the Consumer Price Index, cumulated annually.

(G) The facility is subject to a purchase option held by the Georgia Department of Corrections, or GDOC, which grants the GDOC the right to purchase the facility for the lesser of the facility's depreciated book value or fair market value at any time during the term of the contract between us and the GDOC.

(H) During the fourth quarter of 2004, 273 beds were completed and available for use. The construction on the remaining 1,251 beds was completed and available for use in October 2005. We are currently pursuing new management contracts and other opportunities to take advantage of the beds that are available at the Stewart County Correctional Facility, but can provide no assurance that we will be successful in doing so.

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 9/30/05
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(I) The facility is subject to a deed of conveyance with the city of Wheelwright, KY which includes provisions that would allow assumption of ownership by the city of Wheelwright under the following occurrences: (1) we cease to operate the facility for more than two years, (2) our failure to maintain at least one employee for a period of sixty consecutive days, and (3) a conversion to a maximum security facility based upon classification by the Kentucky Corrections Cabinet.

(J) The facility is subject to a purchase option held by the Tallahatchie County Correctional Authority which grants Tallahatchie County Correctional Authority the right to purchase the facility at any time during the contract at a price generally equal to the cost of the premises less an allowance for amortization over a 20-year period. During October 2005, we completed an amendment to extend the amortization period through 2035, which could be further extended to 2050 in the event we expand the facility by at least 200 beds.

(K) The State of Montana has an option to purchase the facility generally at any time during the term of the contract with us at fair market value less the then present value of a pre-determined portion of per-diem payments made to us by the state of Montana.

(L) The facility is subject to a purchase option held by the Oklahoma Department of Corrections, or ODC, which grants the ODC the right to purchase the facility at its fair market value at any time.

(M) During the third quarter of 2003, all of the Wisconsin inmates housed at the North Fork Correctional Facility were transferred to the Diamondback Correctional Facility in order to satisfy a contractual provision mandated by the state of Wisconsin. Upon completion of the inmate transfers, North Fork Correctional Facility was closed and will remain closed for an indefinite period of time. We are currently pursuing new management contracts and other opportunities to take advantage of the beds that are available at the North Fork Correctional Facility, but can provide no assurance that we will be successful in doing so.

(N) Upon conclusion of the thirty-year lease with Shelby County, Tennessee, the facility will become the property of Shelby County. Prior to such time, if the County terminates the lease without cause, or breaches the lease or the State fails to fund the contract, we may purchase the property for \$150,000. If we terminate the lease without cause, or breach the contract, we will be required to purchase the property for its fair market value as agreed to by the County and us.

(O) The state of Tennessee has the option to purchase the facility in the event of our bankruptcy, or upon an operational breach, as defined, at a price equal to the book value, as defined.

(P) The District of Columbia has the right to purchase the facility at any time during the term of the contract at a price generally equal to the present value of the remaining lease payments for the premises. Upon expiration of the lease, ownership of the facility automatically reverts to the District of Columbia.

(Q) The alternative educational facility is currently configured to accommodate 900 at-risk juveniles and may be expanded to accommodate a total of 1,400 at-risk juveniles.

DIVERSIFICATION OF REVENUE

(Unaudited and amounts in thousands)

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<u>Customer</u>	<u>Management Revenue For the Nine Months Ended September 30, 2005</u>	<u>Percent of Management Revenue For the Nine Months Ended September 30, 2005</u>
Bureau of Prisons	\$ 141,886	16.48%
United States Marshals	132,736	15.41%
Texas	69,263	8.04%
United States Immigration and Customs Enforcement	66,975	7.78%
Tennessee	53,972	6.27%
Colorado	40,905	4.75%
Florida	39,062	4.54%
Georgia	36,540	4.24%
Oklahoma	22,949	2.66%
Hawaii	21,466	2.49%
	<u>\$ 625,754</u>	<u>72.67%</u>
Total Management Revenue	<u>\$ 861,133</u>	<u>100.00%</u>

Equity Research Coverage:

Avondale Partners	Patrick Swindle	(615) 467-3462
BB&T Capital Markets	Barry Stouffer	(615) 340-8283
First Analysis Corporation	James Macdonald	(312) 258-1400
Jefferies & Company, Inc.	Andrew May	(615) 963-8310
Lehman Brothers	Jeffery T. Kessler	(212) 526-5162
Morgan Joseph & Co. Inc.	Devlin Lander	(212) 218-3759
Utendahl Capital Partners	Daniel O'Sullivan	(212) 612-9113

Debt Research Coverage:

Lehman Brothers	Susan Jansen	(212) 526-6470
SG Cowen Securities Corporation	Brad E. Eilert	(212) 278-5290

Rating Agency Coverage:

Moody's Investors Service	Christopher Wimmer	(212) 553-2947
Standard & Poor's	Jean Stout	(212) 438-7865

Credit Ratings:

	<u>Standard & Poor's</u>	<u>Moody's</u>
Corporate Credit Rating	BB-	Not rated
Senior Secured Bank Credit	BB	Ba2
Senior Unsecured Debt	BB-	Ba3
Preferred Stock	Not rated	B3

Any opinions, estimates and/or forecasts regarding the Company's performance made by the analysts and/or rating agencies listed above are theirs alone and do not necessarily represent the opinions, forecasts or predictions of the Company or its management. The Company does not by its reference above imply its endorsement of or concurrence with such information, conclusions or recommendations and the Company has not undertaken to verify any of the information provided by such analysts or agencies.