



CoreCivic Enters Into New Management Contract to Activate the Torrance County Detention Facility

May 16, 2019

NASHVILLE, Tenn., May 16, 2019 (GLOBE NEWSWIRE) -- **CoreCivic, Inc. (NYSE: CXW)** (the Company) announced today that it has entered into a new contract under an Intergovernmental Agreement between Torrance County, New Mexico and Immigration and Customs Enforcement (ICE) to activate CoreCivic's currently idle 910-bed Torrance County Detention Facility in Estancia, New Mexico.

The new management contract commenced on May 15, 2019, and has an initial term of 60 months, with unlimited extension options thereafter upon mutual agreement. Either party may terminate the contract with 120 days' written notice. Among other standards, the contract requires compliance with ICE's Performance-Based National Detention Standards, the American Correctional Association (ACA) standards for Adult Local Detention Facilities, and standards for Health Services in Jails, National Commission on Correctional Health Care (NCCHC). The Company expects to begin accepting ICE detainee populations into the facility in the third quarter of 2019. Following the activation process the new contract is expected to generate approximately \$25 million to \$30 million in annualized revenue.

"We are pleased to once again help one of our government partners address their critical challenges through our unique real estate solutions," said Damon Hinger, CoreCivic's President and Chief Executive Officer. "Our sole job is to help government solve problems in ways it can't do alone, and we have a 35-year partnership doing just that for ICE."

Throughout the activation process the Company will incur start-up expenses, primarily related to staffing and training, prior to accepting initial ICE detainee populations and prior to recognizing any revenue under the new contract. As a result of start-up expenses incurred from the activation of the Torrance County Detention Facility, and potentially from additional facility activations this year, the Company expects to report start-up expenses as a special item in its calculation of Adjusted Net Income, Adjusted EBITDA, and Normalized Funds from Operations (FFO). Because the Company does not expect the Torrance facility to reach stabilized occupancy until the fourth quarter of 2019, the Company does not expect the new contract to have a material impact on the Company's per share results for 2019.

Adjusted Net Income, Adjusted EBITDA, and Normalized FFO, and, where appropriate, their corresponding per share amounts, are measures calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles (GAAP). The Company will provide reconciliations to the most directly comparable GAAP measures, the reasons why the Company believes such information is useful, and the Company's use of such information for additional purposes whenever it presents non-GAAP financial measures.

About CoreCivic

The Company is a diversified government solutions company with the scale and experience needed to solve tough government challenges in cost-effective ways. We provide a broad range of solutions to government partners that serve the public good through corrections and detention management, government real estate solutions, and a growing network of residential reentry centers to help address America's recidivism crisis. We are a publicly traded real estate investment trust (REIT) and the nation's largest owner of partnership correctional, detention and residential reentry facilities. We also believe we are the largest private owner of real estate used by U.S. government agencies. The Company has been a flexible and dependable partner for government for more than 35 years. Our employees are driven by a deep sense of service, high standards of professionalism and a responsibility to help government better the public good. Learn more at <http://www.corecivic.com/>.

Forward-Looking Statements

This press release contains statements as to our beliefs and expectations of the outcome of future events that are "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and 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) general economic and market conditions, including, but not limited to, the impact governmental budgets can have on our contract renewals and renegotiations, per diem rates, and occupancy; (ii) fluctuations in our operating results because of, among other things, changes in occupancy levels, competition, contract renegotiations or terminations, increases in costs of operations, fluctuations in interest rates and risks of operations; (iii) our ability to obtain and maintain correctional, detention, and residential reentry facility management contracts because of reasons including, but not limited to, sufficient governmental appropriations, contract compliance, negative publicity, and effects of inmate disturbances; (iv) changes in the privatization of the corrections and detention industry, the public acceptance of our services, the timing of the opening of new facilities and the commencement of new management contracts (including the extent and pace at which new contracts are utilized), as well as our ability to utilize current available beds; (v) changes in government policy regarding the utilization of the private sector for corrections, detention, and residential reentry capacity and our services; (vi) changes in government policy and in legislation and regulation of corrections and detention contractors that affect our business, including but not limited to, the continued utilization of the South Texas Family Residential Center (STFRC) by ICE under terms of the current contract, and the impact of any changes to immigration reform and sentencing laws (Our company does not, under longstanding policy, lobby for or against policies or legislation that would determine the basis for, or duration of, an individual's incarceration or detention.); (vii) our ability to successfully identify and consummate future acquisitions and our ability to successfully integrate the operations of completed acquisitions and realize projected returns resulting therefrom; (viii) increases in costs to develop or expand real estate properties that exceed original estimates, or the inability to complete such projects on schedule as a result of various factors, many of which are beyond our control, such as weather, labor conditions, cost inflation, and material shortages, resulting in increased construction costs; (ix) our ability to meet and maintain qualification for taxation as a REIT; and (x) the availability of debt and equity financing on terms that are favorable to us, or at all. Other factors that could cause operating and financial results to differ are described in the filings we make from time to time with the Securities and Exchange Commission.

CoreCivic 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.

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