



## Prison Realty Stockholders Approve Merger With Corrections Corporation Of America and Proposed Restructuring

September 12, 2000

NASHVILLE, Tenn., Sept. 12 /PRNewswire/ -- Prison Realty Trust, Inc. (NYSE: PZN) announced that its stockholders approved the merger of Prison Realty and Corrections Corporation of America (CCA) at a special meeting held today. Stockholders also approved amendments to Prison Realty's charter to permit the restructuring of the Company, including its election to not be taxed as a real estate investment trust (REIT) commencing with the 2000 taxable year.

The restructuring proposals required approval by the holders of two-thirds of Prison Realty outstanding common stock. The proposals passed with over 98.9% of the shares represented at the meeting voting in favor of the merger and amendments to the charter. The merger also received approval from CCA stockholders at a special meeting with 97.9% of its shares of capital stock voting in favor of the merger.

"The overwhelming majority of Prison Realty's stockholders voted in favor of the restructuring plan and the reversion to the corporate model that was so successful in the past," stated John D. Ferguson, president and chief executive officer of Prison Realty. "With our stockholders fully supporting the change, we plan to aggressively work on combining the operations of Prison Realty and CCA. It is expected that this merger will take place in September.

"We believe the combination of Prison Realty and CCA is the first step in restoring the operational integrity and financial viability of our company. We expect that the combined companies will benefit from a simplified financial structure that will be easier for investors to understand and value. We also believe the combined operations will be easier to manage, allowing our management team to focus on providing our customers with quality service."

"We have already taken the initial steps to combine our operations by purchasing the majority interests in the private service companies and announcing the sale of our international operations. We believe the simplified corporate structure and focus on U.S. operations will be important steps in our restructuring plans to build shareholder value in the future," concluded Mr. Ferguson.

### About the Company

Prison Realty's business is the development and ownership of correctional and detention facilities. Headquartered in Nashville, Tennessee, the Company provides financing, design, construction and renovation of new and existing jails and prisons that it leases to both private and governmental managers. Prison Realty currently owns or is in the process of developing 50 correctional and detention facilities in 17 states, the District of Columbia, and the United Kingdom.

The companies operating under the "Corrections Corporation of America" name provide detention and corrections services to governmental agencies. The companies are the industry leader in private sector corrections with approximately 70,000 beds in 77 facilities under contract or under development in the United States, Puerto Rico, Australia, and the United Kingdom. The companies' full range of services includes design, construction, 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 include statements regarding changes in management, accounting changes related to a change from federal taxation as a REIT to a subchapter C corporation, merger plan between Prison Realty and CCA, earning expectations, and integration of Prison Realty and CCA operations and businesses. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. Other factors that could cause operating and financial results to differ are described in Prison Realty's Form 10-K and Form 8-K, as well as in other documents filed with the SEC. Other risks may be detailed from time to time in reports to be filed with the SEC. Prison Realty 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.