



Prison Realty Corporation Reports Fourth Quarter And Year End Results Of CCA Prison Realty Trust

February 3, 1999

NASHVILLE, Tenn., Feb. 3 /PRNewswire/ -- Prison Realty Corporation (the "Company") (NYSE: PZN), a Maryland corporation and the successor entity of the merger between CCA Prison Realty Trust ("PRT") and Corrections Corporation of America consummated January 1, 1999, today announced fourth quarter 1998 and year end operating results for PRT. Funds from operations (FFO) of \$14.1 million, or \$0.62 per share were earned on revenues of \$21.3 million for the quarter ended December 31, 1998, compared to FFO of \$11.0 million, or \$0.50 per share on revenues of \$11.7 million for the same period of the previous year. For PRT's first full year of operations ended December 31, 1998, FFO of \$50.3 million, or \$2.28 per share was earned on revenues of \$70.7 million.

D. Robert Crants, III, President of the Company commented on results as follows: "We are pleased to announce the final quarter of PRT operations at a level consistent with investor expectations. PRT was able to consistently report increased revenues and FFO per share in every quarter since its formation in July, 1997. With the successful closing of our merger January 1, 1999, Prison Realty Corporation is now positioned to continue the aggressive development of correctional and detention facilities by capitalizing on the improved access to capital provided by the combined entity strengths."

The postmerger company owns 44 correctional and detention facilities in 16 states, the District of Columbia and the United Kingdom having a total design capacity in excess of 40,000 beds, of which seven new facilities are under construction. Prison Realty Corporation is based in Nashville, Tennessee and plans to qualify as a real estate investment trust under the Internal Revenue Code. The Company's business is to build new and acquire existing correctional and detention facilities from both private prison managers and directly from government entities.

This press release contains forward-looking statements that involve various risks and uncertainties. Actual results could differ materially from those contained in these forward-looking statements due to certain factors. These and other risks and uncertainties are detailed in the Company's reports filed with the SEC.

CCA PRISON REALTY TRUST
 CONSOLIDATED STATEMENTS OF INCOME
 (Amounts in thousands, except per share amounts)

	For the Three Months Ended		For the Twelve Months ended	
	December 31		December 31	
	1998	1997	1998	1997 (1)
REVENUES				
Rental	\$ 21,139	\$ 11,687	\$ 69,867	\$ 19,980
Interest	136	45	796	600
	21,275	11,732	70,663	20,580

EXPENSES

Depreciation and				
Amortization	4,427	2,978	17,609	5,088
Interest	4,077	163	9,827	184
General and				
Administrative	922	591	2,648	981
Write off of				
Loan Costs	2,559	--	2,559	--
Merger Costs	8,530	--	8,530	--
	20,515	3,732	41,173	6,253

Net Income	760	8,000	29,490	14,327
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Dividends to Preferred

Shareholders	(2,150)	--	(7,869)	--
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Net Income Available
for Common

Shares	\$ (1,390)	\$ 8,000	\$ 21,621	\$ 14,327
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Net Income Available Per

Common Share:

Basic	\$ (0.06)	\$ 0.37	\$ 0.99	\$ 0.66
Diluted	\$ (0.06)	\$ 0.36	\$ 0.98	\$ 0.65

Weighted Average Number
of Shares Outstanding,

Basic	22,543	21,576	21,818	21,576
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Weighted Average

Number of

Shares Outstanding,

Diluted	22,626	22,042	22,103	22,007
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Funds From Operations:

Net Income Available

for Common

Shares	\$ (1,390)	\$ 8,000	\$ 21,621	\$ 14,327
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Plus Real Estate

depreciation	4,427	2,978	17,609	5,088
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Add back non-

recurring items:

Plus Write Off of

Loan Costs	2,559	--	2,559	--
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Plus Merger

Costs	8,530	--	8,530	--
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	\$ 14,126	\$ 10,978	\$ 50,319	\$ 19,415
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Funds From Operations

Per Common Share:

Basic	\$ 0.63	\$ 0.51	\$ 2.31	\$ 0.90
Diluted	\$ 0.62	\$ 0.50	\$ 2.28	\$ 0.88

(1) - For the period from July 18, 1997 (inception) to December 31, 1997.

The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.

CCA PRISON REALTY TRUST
CONSOLIDATED BALANCE SHEETS
December 31, 1998 and 1997
(Amounts in thousands, except share amounts)

	Dec. 31, 1998	Dec. 31, 1997
ASSETS		
Real Estate Properties, at Cost		
Correctional and Detention		
Facilities	\$ 867,832	\$ 458,360
Less - Accumulated Depreciation	(22,698)	(5,088)
Net Real Estate Properties	845,134	453,272
Cash and Cash Equivalents	21,894	756
Restricted Cash	17,188	--
Other Assets	9,496	410
TOTAL ASSETS	\$ 893,712	\$ 454,438
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Distributions Payable	\$ 2,150	\$ 9,170
Line of Credit	279,600	32,000
Accounts Payable and Accrued		
Expenses	29,248	519
TOTAL LIABILITIES	310,998	41,689
Commitments and Contingencies	--	--
SHAREHOLDERS' EQUITY		
Preferred Shares, \$.01 par value;		
10,000,000 shares authorized;		
4,300,000 and 0 shares issued		
and outstanding, respectively	43	--
Common Shares, \$.01 par value;		
90,000,000 shares authorized;		
25,315,380 and 21,576,000 shares		
issued and outstanding, respectively	253	216
Capital in Excess of Par Value	603,195	414,841
Accumulated Distributions		
in Excess of Net Income	(20,777)	(2,308)
TOTAL SHAREHOLDERS' EQUITY	582,714	412,749
TOTAL LIABILITIES		
AND SHAREHOLDERS' EQUITY	\$ 893,712	\$ 454,438

SOURCE Prison Realty Corporation

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Photo Notes: <http://www.newscom.com/cgi-bin/prnh/19981120/CHF004>
or NewsCom, 213-237-5431 - Photo of Doctor R. Crants, CCA
Chairman of the Board and
CEO