



Corrections Corporation of America Determines Fair Market Value of Shares of Series B Preferred Stock Issued as Paid-In-Kind Dividend

January 18, 2001

NASHVILLE, Tenn.--(BUSINESS WIRE)--Jan. 18, 2001--Corrections Corporation of America (formerly Prison Realty Trust, Inc.) (NYSE:CXW) announced today that it has determined the fair market value of the shares of its Series B Preferred Stock distributed on January 2, 2001, as a paid-in-kind dividend on previously issued shares of Series B Preferred Stock to be \$6.85 per share. Accordingly, the Company's stockholders who received shares of the Series B Preferred Stock as the paid-in-kind dividend generally will be required to include as ordinary income on their tax returns \$6.85 for each share of Series B Preferred Stock received, to the extent of the Company's current accumulated earnings and profits (as determined at the end of 2001). Such amount will also constitute the stockholders' basis in the shares received. Future dividends on the shares of the Company's Series B Preferred Stock, whether paid in stock or cash, will also generally be taxable as ordinary income to the extent of the Company's current and accumulated earnings and profits.

About the Company

The Company is the nation's largest provider of detention and corrections services to governmental agencies. The Company is the industry leader in private sector corrections with approximately 61,000 beds in 68 facilities under contract for management in the United States and Puerto Rico. The Company's full range of services includes design, construction, ownership, 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 forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. Factors that could cause operating and financial results to differ are described in the Company's Form 10-K, as well as in other documents filed with the Securities and Exchange Commission, and these factors include, but are not limited to, the growth of the private corrections and detention industry, the Company's ability to obtain and maintain facility management contracts and general market conditions. The Company 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.

CONTACT: Corrections Corporation of America, Nashville
Karin Demler, 615/263-3005