



\$26.1 Million Note Extinguished in Connection with Final Settlement of Federal Portion of Corrections Corporation of America Stockholder Litigation

January 25, 2002

NASHVILLE, Tenn., Jan. 25 /PRNewswire-FirstCall/ -- Corrections Corporation of America (NYSE: CXW) announced today that the \$26.1 million subordinated promissory note issued on December 31, 2001, in connection with the final settlement of the federal portion of its stockholder litigation has been extinguished. The terms of the note provide that all amounts due under the note will be extinguished if the average closing price of the Company's common stock on the NYSE meets or exceeds a "termination price" of \$16.30 per share for any fifteen consecutive trading days following the date of the note's issuance and prior to January 2, 2009, the maturity date of the note.

About the Company

The Company is the nation's largest provider of outsourced corrections management services, housing an inmate population larger than that of all but five public correctional systems in the United States. The Company specializes in owning, operating and managing prisons and other correctional facilities and providing inmate residential and prisoner transportation services for governmental agencies. In addition to providing the fundamental residential services relating to inmates, each of the Company's facilities offers a variety of rehabilitation and educational programs, including basic education, life skills and employment training and substance abuse treatment. The Company also provides health care (including medical, dental and psychiatric services), institutional food services and work and recreational programs. The Company owns or manages 70 facilities, including 68 correctional and detention facilities, with a total design capacity of approximately 65,000 beds in 21 states, the District of Columbia and Puerto Rico, of which 68 facilities are operating (two of which are idle) and two are under construction.

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.

The Company takes no responsibility for updating the information contained in this press release following the date hereof 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.

SOURCE Corrections Corporation of America

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