



## Corrections Corporation of America Announces Loss of Contract with the State of Alaska

August 7, 2009

**Nashville, Tenn., August 7, 2009 - Corrections Corporation of America (NYSE: CXW) (CCA)**, the nation's largest provider of corrections management services to government agencies, announced today that it has been notified by the Alaska Department of Corrections that it was not selected in Alaska's competitive solicitation to house up to 1,000 inmates from the state of Alaska. CCA currently houses approximately 765 Alaskan inmates at its 1,596-bed Red Rock Correctional Center in Arizona. CCA currently expects that Alaska will begin transferring their inmate population out of the Red Rock facility beginning in December of 2009. The loss of these inmates does not affect CCA's recently announced 2009 earnings per share guidance.

CCA will begin marketing the available beds at the Red Rock facility to other state and federal customers. CCA also currently houses 650 inmates from the states of California, Washington and Hawaii at the Red Rock facility.

"We are very disappointed to have not been selected by the Alaska Department of Corrections, a long standing customer of ours. We will work closely with the Alaska Department of Corrections to ensure a smooth transition out of the Red Rock facility," said Damon Hininger, President and Chief Operating Officer. "Although at the present moment, we do not have another customer lined up to fill the vacant beds, these beds are located in a market that is very attractive to a variety of state and federal customers. CCA currently owns 12,180 beds in the state of Arizona, which are fully occupied, including the 765 beds currently utilized by the state of Alaska."

### About CCA

CCA is the nation's largest owner and operator of privatized correctional and detention facilities and one of the largest prison operators in the United States, behind only the federal government and three states. We currently operate 65 facilities, including 44 company-owned facilities, with a total design capacity of approximately 86,500 beds in 19 states and the District of Columbia. We specialize 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, our facilities offer a variety of rehabilitation and educational programs, including basic education, religious services, life skills and employment training and substance abuse treatment. These services are intended to reduce recidivism and to prepare inmates for their successful re-entry into society upon their release. We also provide health care (including medical, dental and psychiatric services), food services and work and recreational programs.

### 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 as defined within the meaning of 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 the impact governmental budgets can have on our per diem rates and occupancy; (ii) fluctuations in our operating results because of, among other things, changes in occupancy levels, competition, increases in cost of operations, fluctuations in interest rates and risks of operations; (iii) our ability to obtain and maintain correctional facility management contracts, (including the timing and extent to which we are able to successfully market the vacated beds by Alaska) including as a result of sufficient governmental appropriations and as a result 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 and demand for new prison facilities and the commencement of new management contracts; (v) risks associated with judicial challenges regarding the transfer of California inmates to out of state private correctional facilities; and (vi) increases in costs to construct or expand correctional facilities 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 and material shortages, resulting in increased construction costs. Other factors that could cause operating and financial results to differ are described in the filings made from time to time by us with the Securities and Exchange Commission.

CCA 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.

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