



Corrections Corporation of America Commences Construction of a New Prison and an Expansion of an Existing Prison

July 2, 2007

NASHVILLE, Tenn. - July 2, 2007 - Corrections Corporation of America (NYSE: CXW) (the "Company" or "CCA"), the nation's largest provider of corrections management services to government agencies, announced today the commencement of construction of a new 1,668-bed correctional facility in Adams County, Mississippi. Construction of the new facility is estimated to be completed during the fourth quarter of 2008 at an estimated cost of approximately \$105.0 million. The Company does not currently have a management contract to utilize these new beds, but expects to market the new beds to various existing and potential customers.

Additionally, CCA expects to commence another expansion by 848-beds of its Tallahatchie County Correctional Facility in Tutwiler, Mississippi. The Company previously announced that it would complete a 720-bed expansion of this facility during the fourth quarter of 2007. The latest expansion is expected to be completed during the second quarter of 2008 at an estimated incremental cost of approximately \$52.0 million. Following the completion of these expansions the Tallahatchie facility will have a total design capacity of 2,672 beds. CCA currently expects to make these additional expansion beds available to California under an existing contract, or to other states that have a need for additional bed capacity.

At the beginning of 2007, CCA established a goal of beginning construction of an additional 4,000 to 6,000 new beds during 2007. Including today's announcement, CCA has initiated construction of approximately 4,500 beds. We continue to diligently explore other expansion and new development opportunities that we believe will allow us to stay ahead of the increasing demand from many of our customers.

Commenting on the development activity, President and CEO, John Ferguson, stated, "As we continue to see a strong demand for prison beds, the commencement of construction of the new facility and the additional expansion of the Tallahatchie facility will further strengthen our development pipeline and help to meet ongoing demand while providing our customers a just-in-time solution to their prison bed needs." Ferguson continued, "We are pleased to contribute to the economic vitality of several Mississippi communities and are especially pleased to participate in the restoration and development of the gulf coast regions affected by several hurricanes during 2005 through the development of the facility in Adams County."

The Governor of Mississippi, Haley Barbour added, "I am pleased Corrections Corporation of America has taken advantage of development opportunities available in the state of Mississippi and has agreed to build a new prison in Adams County and further expand its facility in Tallahatchie County. These new operations will do even more than help fill a need for more prison beds; they also enhance the economy of southwest Mississippi and the Mississippi Delta regions, and represent a significant investment by CCA in our state."

About the Company

Corrections Corporation of America 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 41 company-owned facilities, with a total design capacity of approximately 75,000 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 the Company's 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) 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; (ii) 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; (iii) our ability to obtain and maintain correctional facility management contracts, including as a result of sufficient governmental appropriations and as a result of inmate disturbances; (iv) 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; and (v) general economic and market conditions. Other factors that could cause operating and financial results to differ are described in the filings made from time to time by the Company with the Securities and Exchange Commission.

We take 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.

Contact:

Investors - Karin Demler, (615) 263-3005

Media - Louise Grant, (615) 263-3106