Corrections Corporation of America Announces Contract Award with Federal Bureau of Prisons

January 19, 2007

NASHVILLE, Tenn., January 19, 2007 – Corrections Corporation of America (NYSE: CXW), the nation's largest provider of corrections management services to government agencies, announced that it has received a contract award from the Federal Bureau of Prisons ("BOP") to house up to 1,558 federal inmates at the Company's Eden Detention Center in Eden, Texas.

The Company currently houses approximately 1,300 BOP inmates at the Eden facility, under an existing Inter-Governmental Services Agreement ("IGSA") between the BOP and the City of Eden. The award was pursuant to a Request for Proposal ("RFP") for approximately 7,000 beds that were contracted under four IGSA's, including the Company's Eden Detention Center.

The contract requires a renovation of the Eden facility, which will result in an additional 129 beds. Upon completion, the Eden facility will have a rated capacity of 1,354 beds. Renovation of the Eden facility is expected to be completed in February 2008 at an estimated cost of $20.1 million.

The contract, awarded as part of the Criminal Alien Requirement Phase 6 Solicitation ("CAR 6"), becomes effective May 1, 2007 and has an initial four-year term with three two-year renewal options. Under the new CAR 6 contract, the Company will receive a fixed monthly payment based on a guaranteed population equal to 90% of the current rated capacity and a per diem payment for each additional inmate thereafter. Following completion of the renovation, the fixed monthly payment will be adjusted to 90% of the new rated capacity beds and a per diem payment for each additional inmate thereafter. Under the provisions of the award, the Company could earn revenues of up to approximately $119.6 million during the initial four-year term of the contract.

The Company intends to provide earnings guidance for the first quarter and full-year 2007 in its fourth quarter 2006 earnings press release on February 8, 2007.

"We are pleased that the Federal Bureau of Prisons, one of the Company's largest and long-standing customers, continues to place confidence in CCA and is expanding its existing relationship with CCA," stated John Ferguson, President and CEO. "We believe our commitment to providing consistent quality service was an important factor in obtaining this award."

About CCA

The Company 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. The Company currently operates 64 facilities, including 40 company-owned facilities, with a total design capacity of approximately 72,000 beds in 19 states and the District of Columbia. 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, the Company's 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. The Company also provides 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 the Company's 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 the Company's services, the timing of the opening of and demand for new prison facilities and the commencement of new management contracts; (iii) the Company's 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 the Company's 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.

The Company 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.

Contact:
Louise Grant, Marketing and Communications 615-263-3106
Karin Demler, Investor Relations 615-263-3005