



Corrections Corporation of America Announces Final Agreement to House Colorado Inmates at its North Fork Correctional Facility

December 29, 2006

NASHVILLE, Tenn. - December 29, 2006 - Corrections Corporation of America (NYSE: CXW) (the "Company"), the nation's largest provider of corrections management services to government agencies, announced today that Bent County, Colorado has entered into an agreement to house Colorado male inmates at the Company's North Fork Correctional Facility in Sayre, Oklahoma under an Inter-Governmental Service Agreement between the County and State of Colorado Department of Corrections. On December 13, 2006, the Company announced that it had received a temporary agreement from the state of Colorado to house 240 Colorado inmates at its 1,440 bed North Fork Correctional Facility, while the state of Colorado finalized the IGSA between Bent County and the state of Colorado.

Under the final agreement the Company may house up to 720 Colorado inmates, subject to bed availability, at its North Fork facility. The contract includes an initial term commencing December 28, 2006 through June 30, 2007, and provides for mutually agreed extensions for a total contract term of up to five years. The Company received 240 Colorado inmates at the North Fork facility on December 14, 2006. Colorado may transfer additional inmates to the facility, to meet additional inmate population needs if adequate bed space is available. The Company's North Fork facility currently houses approximately 800 inmates from the states of Colorado, Wyoming and Vermont.

The Company is currently expanding two of its facilities in Colorado, the Bent County Correctional Facility and the Kit Carson Correctional Center, by 720 beds each. Both expansions are expected to be completed during the second quarter of 2008. It is the intent of the parties that Colorado inmates housed at the North Fork facility will be transferred to the Company's Bent County or Kit Carson facilities following the expansion of these facilities.

The Company intends to provide earnings guidance for the first quarter of 2007 and the full-year 2007 in its fourth quarter 2006 earnings release.

About the Company

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 65 facilities, including 40 company-owned facilities, with a total design capacity of approximately 72,500 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.

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