



Corrections Corporation of America Announces Agreement with the City of Eloy to House Detainees from U.S. Immigration and Customs Enforcement

February 24, 2006

Nashville, Tenn., February 24, 2006 - Corrections Corporation of America (NYSE: CXW), the nation's largest provider of corrections management services to government agencies, announced today that it has reached an agreement with the City of Eloy, Arizona to house detainees from U.S. Immigration and Customs Enforcement (ICE) under an Inter-Governmental Service Agreement between the City of Eloy and ICE. The agreement will enable ICE to accommodate detainees at CCA's 1,500-bed Eloy Detention Center in Eloy, Arizona. At February 23, 2006, the Eloy facility housed a total population of approximately 920 inmates.

In January 2006, the Federal Bureau of Prisons (BOP) notified the Company of its intent not to exercise its renewal option at the Eloy Detention Center, effective February 28, 2006. Under the existing contract, the Eloy facility has housed BOP inmates, as well as ICE detainees. The ICE detainees were housed at the facility pursuant to an agreement between the BOP and ICE. The new agreement provides ICE the ability to fully utilize Eloy Detention Center for existing and potential future requirements. Approximately 50 BOP inmates remain at the detention center and are expected to be transferred out of the facility by the end of February.

Under its agreement with the City, CCA is eligible for periodic rate increases. Although the contract does not provide for a guaranteed occupancy, the Company expects over time that the facility will be substantially occupied by ICE.

"We believe this new agreement is an indication of the strength of our existing relationship with ICE and speaks well to CCA's continued ability to meet the growing capacity needs of this long-standing customer," said John Ferguson, CCA president and chief executive officer. "The recently executed agreement ensures that ICE can continue to utilize our Eloy facility to support its immigration enforcement mission."

The Company is not making any change to the previously issued guidance included in its press release dated February 9, 2006, as a result of this contract.

About the Company

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. The Company currently operates 63 facilities, including 39 company-owned facilities, with a total design capacity of approximately 71,000 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 and the timing of the opening of and demand for new prison facilities and the commencement of management contracts; (iii) the Company's ability to obtain and maintain correctional facility management contracts, including as the result of sufficient governmental appropriations and as the 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 or the information contained herein by any third-parties, including, but not limited to, any wire or internet services.

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