



Corrections Corporation of America Signs Contract with Mississippi to House Inmates at Tallahatchie Prison in Mississippi

October 25, 2004

NASHVILLE, Tenn.--(BUSINESS WIRE)--Oct. 25, 2004--Corrections Corporation of America (NYSE:CXW), the nation's largest provider of corrections management services to government agencies, today announced that it has entered into a contract with the Mississippi Department of Corrections to manage an initial inmate population of 128 of the State's maximum security inmates at CCA's owned-and-operated Tallahatchie County Correctional Facility in Tutwiler, Mississippi. The population may fluctuate based on the State's needs and the space available at the Tallahatchie facility. Mississippi has not previously contracted for bed space at the 1,104-bed Tallahatchie medium/maximum security prison.

CCA presently manages over 1,900 Mississippi inmates at two Mississippi prisons that CCA manages on behalf of the State, including the Wilkinson County Correctional Facility in Woodville and the Delta Correctional Facility in Greenwood.

CCA expects the Mississippi Department of Corrections to begin sending inmates to the Tallahatchie facility this week. The contract period, which is effective immediately, has an initial term, which concludes June 30, 2006, and includes three, one-year renewal options.

"We are grateful that Mississippi has sought to expand its partnership with CCA," said John Ferguson, CCA President and Chief Executive Officer. "This contract represents the first time that the State has contracted for management services in a facility that is both owned and operated by CCA. We recognize that Mississippi's corrections system faces budgetary and capacity constraints, similar to many states, and we are pleased to help the Department of Corrections manage its inmate population."

Mississippi Governor Haley Barbour stated, "By moving these 128 inmates to the Tallahatchie County Correctional Facility, the Mississippi Department of Corrections estimates a savings of approximately \$600,000.00 over this eight-month period. Mississippi is gaining two ways, continuing to provide Public Safety and saving taxpayers money." Commissioner Chris Epps, from the Mississippi Department of Corrections, added, "The Mississippi Department of Corrections is committed to housing inmates securely at the least possible cost to taxpayers."

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 four states. The Company currently operates 63 facilities, including 38 company-owned facilities, with a total design capacity of approximately 67,000 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; (iii) 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 (iv) 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.

CONTACT: Corrections Corporation of America
Louise Chickering, CCA Spokesperson, 615-263-3106
Karin Demler, Investor Relations, 615-263-3005

SOURCE: Corrections Corporation of America