



State of Washington Signs First Corrections Management Contract with Corrections Corporation of America

July 1, 2004

Nashville, Tenn., July 1, 2004 - Corrections Corporation of America (CCA) (NYSE: CXW), the nation's largest provider of corrections management services to government agencies, announced today that it has entered into an agreement with the State of Washington to manage a portion of the State's inmate population. The contractual agreement represents the first time that the State of Washington has partnered with CCA.

Under the agreement signed this week between CCA and the Washington Department of Corrections, CCA will manage male, medium-security inmates at the Company's owned and operated Crowley County Correctional Facility located in Olney Springs, Colorado. The Company expects to receive an initial population of approximately 300 Washington inmates. The population may fluctuate based on the State's needs and the space available at the Crowley facility. However, if necessary, CCA could also meet inmate demands from the State of Washington by utilizing other CCA facilities. The terms of the contract include an initial one-year period through June 30, 2005, with an unspecified number of renewal options.

The Crowley facility has a current design capacity of 1,200 inmates, and a 594-bed expansion by CCA is expected to be completed during the third quarter of 2004. The Crowley County Correctional Facility presently houses approximately 960 inmates from the states of Colorado and Wyoming.

"We are very appreciative that the State of Washington has elected to partner with CCA," said John Ferguson, president and CEO. "CCA's management and employees remain committed to providing excellent correctional management to the individuals entrusted in our care, and we are dedicated to provide flexible, economical and responsive service to the Washington Department of Corrections."

About CCA

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. CCA currently operates 65 facilities, including 38 company-owned facilities, with a total design capacity of approximately 66,000 beds in 20 states and the District of Columbia. CCA 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, 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 CCA'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 and the timing of the opening of and demand for new prison facilities; (iii) increases in costs to 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 (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 CCA with the Securities and Exchange Commission.

CCA 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.