



Corrections Corporation of America Enters Into New Contract with Minnesota and North Dakota

May 20, 2004

Nashville, Tenn., May 20, 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 new agreements with the states of Minnesota and North Dakota to house portions of those states' inmates at the Company's owned and operated Prairie Correctional Facility located in Appleton, Minnesota. CCA previously had contractual relationships with both states.

Under the agreement signed this week between CCA and the Minnesota Department of Corrections, CCA will manage an unspecified number of medium-security, male inmates at the Prairie facility. The Company expects to receive an initial population of approximately 100 Minnesota inmates within the next 30 days. However, the population may fluctuate based on the State's needs and the space available at the Prairie facility. The terms of the contract include an initial one-year period through June 30, 2005, with two one-year renewal options.

The North Dakota agreement, which became effective in March 2004, has an initial term through February 2005 with an indefinite number of annual renewal options. This contract, similar to the Minnesota agreement, does not indicate a specific inmate population to be managed by CCA. The Company presently houses approximately 40 North Dakota inmates and expects that number to reach approximately 50 inmates within the next several weeks. This population is also expected to vary based on the State's needs and space availability.

In addition to the North Dakota inmates, the 1,338-bed medium security Prairie Correctional Facility also houses approximately 1,100 inmates from the State of Wisconsin. However, due to recent availability within the State's correctional system, the Company expects that a number of inmates from Wisconsin will be transferring back to Wisconsin throughout 2004. CCA believes that these two new state contracts will enable the facility to remain operating at or near capacity for the foreseeable future. The new contracts are not expected to have a material impact on the Company's previous financial guidance.

"We are very appreciative of the confidence both Minnesota and North Dakota have placed in CCA by entrusting populations of their inmates to our care," said John Ferguson, president and CEO. "CCA is committed to providing excellent-quality operational service to these state customers. We hope to develop long-standing relationships to meet these states' fluctuating correctional needs."

Ferguson added, "Increasingly, many states are facing budget deficits and prison overcrowding. With limited resources, they are recognizing that sound fiscal and policy decisions in corrections can be achieved, in part, by partnering with the private corrections management industry. It is our privilege to contribute to these state correctional systems by providing safe and secure corrections management, along with quality programming for inmates."

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 four 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.