



State of Arizona Signs Corrections Management Contract with Corrections Corporation of America

March 4, 2004

Nashville, Tenn., March 4, 2004 - Corrections Corporation of America ("CCA") (NYSE: CXW), the nation's largest provider of corrections management services to government agencies, announced that the State of Arizona has entered into an agreement with CCA to manage up to 1,200 Arizona inmates. The contractual agreement represents the first time the State has partnered with CCA.

The contractual terms provide for the out-of-state management of male, medium-security Arizona inmates in CCA's owned-and-operated 2,160-bed Diamondback Correctional Facility in Watonga, Oklahoma. The contract includes an initial term ending June 30, 2004, to correspond with the Arizona fiscal year, and may be renewed by mutual agreement for three consecutive terms of one year each, effective July 1, 2004, through June 30, 2007, subject to availability of appropriated funds. The Arizona Department of Corrections has informed lawmakers that the first 200 inmates would be transferred to Diamondback in mid-March, and that the remainder would follow over the next several months. CCA currently manages approximately 1,000 inmates from Wisconsin and Hawaii at the Diamondback facility.

"We are pleased that the Arizona administration has selected CCA as a provider to meet a portion of the state's corrections management needs," stated CCA's President and CEO John Ferguson. "CCA's availability to immediately provide relief from overcrowding is a strong benefit to the State's administration. We believe the high quality of service and accountability we exhibit over the term of this contract will reinforce to Arizona that CCA can be a valuable long-term partner for their corrections system, both for in-state and out-of-state inmate management."

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 64 facilities, including 38 company-owned facilities, with a total design capacity of approximately 65,000 beds in 20 states and the District of Columbia. We specialize 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. CCA 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 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 our filings made from time to time with the Securities and Exchange Commission.

We take 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.