



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

January 5, 2004

Nashville, Tenn., January 5, 2004 - Corrections Corporation of America (NYSE: CXW; CCA), the nation's largest provider of corrections management services to government agencies, has announced that the State of Vermont has entered into an agreement for CCA to manage up to 700 Vermont inmates. The contractual agreement represents the first time the State has partnered with the private corrections sector.

The contractual terms provide for the out-of-state management of male, medium-security Vermont inmates in two CCA owned-and operated prisons in Kentucky, including Lee Adjustment Center in Beattyville, and Marion Adjustment Center in St. Mary, and possibly a small number of inmates in a CCA prison in Tennessee. The facilities expect to begin receiving inmates during the first quarter of 2004.

"We are pleased that the Vermont administration has selected our company to provide flexible solutions as dictated by their fluctuating population demands and budget constraints," stated John Ferguson, CCA President and CEO. "We believe that this newly-formed partnership lends further validation to the meaningful role private operators can play in assisting government agencies in meeting their correctional requirements."

The new relationship with Vermont represents one of the first instances in which a Northeastern state has utilized the corrections management industry for the provision of services for medium security 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 59 facilities, including 38 company-owned facilities, with a total design capacity of approximately 59,000 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; the timing of the opening of new prison facilities; and obtaining new contracts or the renewal of existing contracts; and (iii) 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 SEC.

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.