



Corrections Corporation of America Increases Total Capacity Under Contract With California Department of Corrections and Rehabilitation

November 2, 2009

NASHVILLE, TN, Nov 02, 2009 (MARKETWIRE via COMTEX) -- Corrections Corporation of America (NYSE: CXW) ("CCA"), the nation's largest provider of corrections management services to government agencies, announced today that it has amended its agreement with the California Department of Corrections and Rehabilitation ("CDCR") to allow for the housing of 2,336 additional offenders from the state of California. Under the amended agreement California will have the ability to house additional inmates at CCA's North Fork Correctional Facility in Oklahoma and its Red Rock Correctional Center in Arizona. The 2,336 additional beds provide the CDCR the ability to house up to 10,468 offenders in five CCA owned facilities located in the states of Arizona, Mississippi and Oklahoma. CCA currently houses approximately 7,900 offenders from the state of California.

The terms of the amendment are similar to the previous agreement, including the 90% guarantee which will be phased in over the ramp-up. CCA expects to begin receiving additional inmates pursuant to the amendment during the first quarter of 2010, with a gradual ramp-up estimated to be completed during the first quarter of 2011. CCA will provide fourth quarter earnings guidance when it releases third quarter financial results on November 4, 2009.

"We are very pleased with the California Department of Corrections and Rehabilitation decision to entrust additional California offenders to our care," said Damon Hininger, President and Chief Executive Officer. "We believe our inventory of beds and breadth of experience in dealing with the intricacies of this contract have been significant factors in our ability to continue to expand our partnership with the CDCR."

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. We currently operate 65 facilities, including 44 company-owned facilities, with a total design capacity of approximately 87,000 beds in 19 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. 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 our 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) general economic and market conditions, including the impact governmental budgets can have on our per diem rates and occupancy; (ii) 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; (iii) our ability to obtain and maintain correctional facility management contracts, including as a result of sufficient governmental appropriations and as a result of inmate disturbances; (iv) changes in the privatization of the corrections and detention industry, the public acceptance of our services, the timing of the opening of and demand for new prison facilities and the commencement of new management contracts; (v) risks associated with judicial challenges regarding the transfer of California inmates to out of state private correctional facilities; and (vi) 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 our control, such as weather, labor conditions and material shortages, resulting in increased construction costs. Other factors that could cause operating and financial results to differ are described in the filings made from time to time by us 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.

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SOURCE: Corrections Corporation of America