



CCA Announces a Contract Award at Cibola County Corrections Center and the Loss of Contract at California City Correctional Center

January 13, 2010

NASHVILLE, TN, Jan 13, 2010 (MARKETWIRE via COMTEX) -- CCA (Corrections Corporation of America) (NYSE: CXW), the nation's largest partnership corrections provider to government agencies, announced today that pursuant to the Federal Bureau of Prisons' ("BOP") Criminal Alien Requirement 10 Solicitation ("CAR 10") our Cibola County Corrections Center in Milan, New Mexico was selected for the continued management of up to 1,204 adult male offenders.

Pursuant to the same CAR 10 procurement, the BOP did not select CCA's 2,304-bed California City Correctional Center in California City, California for the continued management of the federal offenders currently located at this facility. The current contract with the BOP at the California City facility expires on September 30, 2010. CCA will establish a transition plan with the BOP for these inmates. CCA is pursuing other opportunities for our California City facility which may restrict housing non-federal inmates at privately owned correctional facilities located in California.

The contract award at our Cibola facility has an anticipated effective date of October 1, 2010, and has an initial four-year term with three two-year renewal options, and contains a take or pay provision of 90 percent.

The company will reflect the impact of these contract changes in its 2010 earnings guidance, which it expects to provide in February at the time of announcement of year-end results for 2009.

Commenting on the announcement, Damon Hininger, President and CEO, said, "We are pleased to continue our partnership with the Federal Bureau of Prisons at our Cibola County Corrections Center, and are obviously very disappointed that our California City Correctional Center was not selected for the continued management of BOP inmates. The BOP is a long-standing valued partner of ours and we will work with them to ensure a smooth transition out of our California City facility." Hininger continued, "I am extremely proud of the dedicated staff at both facilities as they have done an outstanding job managing these inmate populations. We believe the BOP's decision to not continue the management contract at California City was based primarily on escalating federal wage determination costs in California, and does not reflect the quality of operations our company and staff have provided to the BOP."

About CCA

CCA is the nation's largest owner and operator of partnership correction 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.

Contact:
Karin Demler
Investors
615-263-3005

Louise Grant
Media
615-263-3106

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