



CCA Announces Completion of Purchase and Commencement of Operations at Lake Erie Correctional Institution

January 3, 2012

NASHVILLE, TN, Jan 03, 2012 (MARKETWIRE via COMTEX) --CCA (Corrections Corporation of America) (NYSE: CXW), the nation's largest partnership corrections provider to government agencies, announced today that it has closed on the purchase of and commenced operations at the 1,798-bed Lake Erie Correctional Institution located in Conneaut, Ohio.

On September 1, 2011, CCA announced that it had entered into a contract with the state of Ohio to purchase and operate the Lake Erie facility. On December 30, 2011, CCA finalized the purchase of the facility for a purchase price of approximately \$73.0 million, using cash on hand and availability under its revolving bank credit facility. Additionally, CCA commenced operations of the facility on December 31, 2011. This represents the first sale of a state-owned correctional facility to the private sector and the first contract CCA has had with the state of Ohio.

The management contract has an initial term of twenty years with unlimited renewal options subject to appropriations and mutual agreement. The contract also provides a guaranteed occupancy of 90 percent.

CCA President and CEO Damon Hininger said, "We are excited to have begun a new partnership with the state of Ohio and look forward to developing a long-standing relationship with the Ohio Department of Rehabilitation and Correction and the Conneaut community. Additionally, I would like to thank the state, the Ohio Department of Rehabilitation and Correction, our employees and the previous operator for assisting in completing this successful transition."

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 67 facilities, including 46 company-owned facilities, with a total design capacity of approximately 92,000 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. 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, occupancy, and overall utilization; (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) the outcome of California's realignment program and its utilization of out of state private correctional capacity; 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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