

CCA Awarded New Management Contract With Arizona

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Sep 06, 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 received an award from the Arizona Department of Corrections to house up to 1,000 medium-security inmates at CCA's Red Rock Correctional Center in Arizona.

The new management contract contains an initial term of ten years, with two 5-year renewal options upon mutual agreement and provides an occupancy guarantee of 90 percent of the contracted beds, which is expected to be implemented in two phases. CCA expects it will begin receiving approximately 500 inmates from Arizona beginning in January of 2014 and an additional 500 inmates in 2015. However, definitive ramp-up schedules have yet to be determined.

Damon Hininger, president and CEO, stated, "As one of the top 100 employers in the state of Arizona and the leading employer in Pinal County, Arizona, we are delighted to once again include Arizona as one of our valued partners. We are committed to working closely with the Arizona Department of Corrections to ensure a smooth transition."

CCA currently manages approximately 1,500 inmates for the state of California at its Red Rock facility. CCA expects to begin working with Arizona and California later next year to determine the most desirable time to transfer California populations from the Red Rock facility. To the extent California needs replacement capacity, our contract with the state of California provides it flexibility to utilize other beds in CCA's system upon mutual agreement.

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 47 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.

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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