



CORRECTIONS CORPORATION OF AMERICA

**Supplemental Financial Information
For the Quarter Ended March 31, 2011**

The Company's supplemental financial information and other data presented herein speaks only as of the date or period indicated (or as of the date posted, as the case may be), and the Company does not undertake any obligation, and disclaims any duty, to update any of this information. The Company's future financial performance is subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect the Company's future financial results are discussed more fully in our reports filed with the SEC. Readers are advised to refer to these reports for additional information concerning the Company. Readers are also advised that the Company's historical performance may not be indicative of future results. In addition, the information contained herein does not constitute an offer to sell or a solicitation to buy any of the Company's securities.

CORRECTIONS CORPORATION OF AMERICA

Supplemental Financial Information
For the Quarter Ended March 31, 2011

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CONSOLIDATED BALANCE SHEETS
(Unaudited and amounts in thousands, except per share amounts)

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ASSETS	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010
Cash and cash equivalents	\$ 37,792	\$ 25,509	\$ 34,439	\$ 22,740	\$ 47,166
Accounts receivable, net of allowance	279,437	307,126	348,013	265,499	249,586
Deferred tax assets	10,920	14,132	11,275	9,472	10,867
Prepaid expenses and other current assets	14,248	31,526	28,330	26,396	15,566
Total current assets	<u>342,397</u>	<u>378,293</u>	<u>422,057</u>	<u>324,107</u>	<u>323,185</u>
Property and equipment, net	2,534,839	2,549,295	2,539,880	2,548,883	2,535,559
Restricted cash	6,758	6,756	6,754	6,750	6,749
Investment in direct financing lease	10,425	10,798	11,161	11,512	11,854
Goodwill	11,988	11,988	11,988	11,988	13,672
Other assets	25,622	26,098	26,424	26,442	26,380
Total assets	<u>\$ 2,932,029</u>	<u>\$ 2,983,228</u>	<u>\$ 3,018,264</u>	<u>\$ 2,929,682</u>	<u>\$ 2,917,399</u>
LIABILITIES AND STOCKHOLDERS' EQUITY					
Accounts payable and accrued expenses	\$ 186,188	\$ 205,379	\$ 201,937	\$ 181,262	\$ 190,324
Income taxes payable	9,903	476	473	471	6,387
Total current liabilities	<u>196,091</u>	<u>205,855</u>	<u>202,410</u>	<u>181,733</u>	<u>196,711</u>
Long-term debt	1,112,744	1,156,568	1,236,234	1,186,571	1,149,416
Deferred tax liabilities	121,477	118,245	108,497	95,268	90,945
Other liabilities	32,428	31,689	31,957	32,175	32,438
Total liabilities	<u>1,462,740</u>	<u>1,512,357</u>	<u>1,579,098</u>	<u>1,495,747</u>	<u>1,469,510</u>
Commitments and contingencies					
Common stock - \$0.01 par value	1,081	1,098	1,101	1,121	1,147
Additional paid-in capital	1,312,796	1,354,691	1,366,688	1,403,401	1,453,947
Retained earnings (deficit)	155,412	115,082	71,377	29,413	(7,205)
Total stockholders' equity	<u>1,469,289</u>	<u>1,470,871</u>	<u>1,439,166</u>	<u>1,433,935</u>	<u>1,447,889</u>
Total liabilities and stockholders' equity	<u>\$ 2,932,029</u>	<u>\$ 2,983,228</u>	<u>\$ 3,018,264</u>	<u>\$ 2,929,682</u>	<u>\$ 2,917,399</u>

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited and amounts in thousands, except per share amounts)

	For the Three Months Ended March 31,		For the Twelve Months Ended December 31,
	2011	2010	2010
REVENUE:			
Management:			
Federal	\$ 182,374	\$ 172,176	\$ 717,800
State	216,346	204,689	838,526
Local	14,248	14,160	58,537
Other	13,679	13,359	53,416
Total management revenue	426,647	404,384	1,668,279
Transportation	771	558	4,036
Rental	551	793	2,557
Other	105	47	159
	428,074	405,782	1,675,031
EXPENSES:			
Operating:			
Facility fixed	223,870	220,349	873,335
Facility variable	69,020	65,958	274,686
Transportation	3,113	3,254	14,888
Other	102	112	862
Total operating expenses	296,105	289,673	1,163,771
General and administrative	21,447	18,614	84,148
Depreciation and amortization	27,055	24,964	104,051
	344,607	333,251	1,351,970
OPERATING INCOME	83,467	72,531	323,061
OTHER EXPENSE:			
Interest expense, net	18,402	17,271	71,127
Other expenses	71	72	40
	18,473	17,343	71,167
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	64,994	55,188	251,894
Income tax expense	(24,664)	(21,016)	(94,297)
INCOME FROM CONTINUING OPERATIONS	40,330	34,172	157,597
Income (loss) from discontinued operations, net of taxes	-	734	(404)
NET INCOME	\$ 40,330	\$ 34,906	\$ 157,193
BASIC EARNINGS PER SHARE	\$ 0.37	\$ 0.30	\$ 1.40
DILUTED EARNINGS PER SHARE	\$ 0.37	\$ 0.30	\$ 1.39

RECONCILIATION OF BASIC TO DILUTED EARNINGS PER SHARE

(Unaudited and amounts in thousands, except per share amounts)

	For the Three Months Ended March 31,		For the Twelve
	2011	2010	Months Ended
			December 31,
			2010
Basic:			
Income from continuing operations	\$ 40,330	\$ 34,172	\$ 157,597
Income (loss) from discontinued operations, net of taxes	-	734	(404)
Net income	<u>\$ 40,330</u>	<u>\$ 34,906</u>	<u>\$ 157,193</u>
Diluted:			
Income from continuing operations	\$ 40,330	\$ 34,172	\$ 157,597
Income (loss) from discontinued operations, net of taxes	-	734	(404)
Diluted net income	<u>\$ 40,330</u>	<u>\$ 34,906</u>	<u>\$ 157,193</u>
Basic:			
Weighted average common shares outstanding	109,103	115,754	112,413
Unvested restricted common stock	(415)	(395)	(398)
Weighted average common shares outstanding-basic	<u>108,688</u>	<u>115,359</u>	<u>112,015</u>
Diluted:			
Weighted average common shares outstanding-basic	108,688	115,359	112,015
Effect of dilutive securities:			
Stock options	693	839	769
Restricted stock-based compensation	162	156	193
Weighted average shares and assumed conversions-diluted	<u>109,543</u>	<u>116,354</u>	<u>112,977</u>
Basic earnings per share:			
Income from continuing operations	\$ 0.37	\$ 0.29	\$ 1.41
Income (loss) from discontinued operations, net of taxes	-	0.01	(0.01)
Net income	<u>\$ 0.37</u>	<u>\$ 0.30</u>	<u>\$ 1.40</u>
Diluted earnings per share:			
Income from continuing operations	\$ 0.37	\$ 0.29	\$ 1.39
Income (loss) from discontinued operations, net of taxes	-	0.01	-
Net income	<u>\$ 0.37</u>	<u>\$ 0.30</u>	<u>\$ 1.39</u>

CALCULATION OF ADJUSTED DILUTED EARNINGS PER SHARE

(Unaudited and amounts in thousands, except per share amounts)

	For the Three Months Ended March 31,		For the Twelve Months
	2011	2010	Ended December 31,
			2010
Net Income	\$ 40,330	\$ 34,906	\$ 157,193
Special items:			
Goodwill impairment for discontinued operations	-	-	1,684
Diluted adjusted net income	<u>\$ 40,330</u>	<u>\$ 34,906</u>	<u>\$ 158,877</u>
Weighted average common shares outstanding - basic	108,688	115,359	112,015
Effect of dilutive securities:			
Stock options	693	839	769
Restricted stock-based compensation	<u>162</u>	<u>156</u>	<u>193</u>
Weighted average shares and assumed conversions - diluted	<u>109,543</u>	<u>116,354</u>	<u>112,977</u>
Adjusted Diluted Earnings Per Share	<u>\$ 0.37</u>	<u>\$ 0.30</u>	<u>\$ 1.41</u>

SELECTED FINANCIAL INFORMATION
(Unaudited and amounts in thousands, except per share amounts)

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	<u>March 31, 2011</u>	<u>December 31, 2010</u>	<u>September 30, 2010</u>	<u>June 30, 2010</u>	<u>March 31, 2010</u>
BALANCE SHEET:					
Property and equipment	\$ 3,359,746	\$ 3,347,857	\$ 3,313,298	\$ 3,299,962	\$ 3,258,903
Accumulated depreciation and amortization	(824,907)	(798,562)	(773,418)	(751,079)	(723,344)
Property and equipment, net	<u>\$ 2,534,839</u>	<u>\$ 2,549,295</u>	<u>\$ 2,539,880</u>	<u>\$ 2,548,883</u>	<u>\$ 2,535,559</u>
Total assets	\$ 2,932,029	\$ 2,983,228	\$ 3,018,264	\$ 2,929,682	\$ 2,917,399
Maintenance & technology capital expenditures for the quarter ended	\$ 4,830	\$ 18,679	\$ 9,835	\$ 9,177	\$ 5,401
Total debt	\$ 1,112,744	\$ 1,156,568	\$ 1,236,234	\$ 1,186,571	\$ 1,149,416
Equity book value	\$ 1,469,289	\$ 1,470,871	\$ 1,439,166	\$ 1,433,935	\$ 1,447,889
LIQUIDITY:					
Cash and cash equivalents	\$ 37,792	\$ 25,509	\$ 34,439	\$ 22,740	\$ 47,166
Availability under revolving credit facility	\$ 286,501	\$ 228,186	\$ 149,466	\$ 199,332	\$ 236,165
CAPITALIZATION:					
Common shares outstanding	108,094	109,754	110,121	112,123	114,663
Common share price at end of period	\$ 24.40	\$ 25.06	\$ 24.68	\$ 19.08	\$ 19.86
Market value of common equity at end of period	<u>\$ 2,637,494</u>	<u>\$ 2,750,435</u>	<u>\$ 2,717,786</u>	<u>\$ 2,139,307</u>	<u>\$ 2,277,207</u>
Total equity market capitalization	<u>\$ 2,637,494</u>	<u>\$ 2,750,435</u>	<u>\$ 2,717,786</u>	<u>\$ 2,139,307</u>	<u>\$ 2,277,207</u>
Total market capitalization (market value of equity plus debt)	<u>\$ 3,750,238</u>	<u>\$ 3,907,003</u>	<u>\$ 3,954,020</u>	<u>\$ 3,325,878</u>	<u>\$ 3,426,623</u>
EBITDA	\$ 110,451	\$ 114,313	\$ 111,515	\$ 103,821	\$ 97,423
ADJUSTED EBITDA	\$ 110,451	\$ 114,313	\$ 111,515	\$ 103,821	\$ 97,423
FUNDS FROM OPERATIONS	\$ 95,496	\$ 81,577	\$ 79,792	\$ 64,605	\$ 84,599
FUNDS FROM OPERATIONS PER SHARE:					
Basic funds from operations per share	\$ 0.88	\$ 0.74	\$ 0.72	\$ 0.57	\$ 0.73
Diluted funds from operations per share	<u>\$ 0.87</u>	<u>\$ 0.74</u>	<u>\$ 0.72</u>	<u>\$ 0.57</u>	<u>\$ 0.73</u>
ADJUSTED FUNDS FROM OPERATIONS	\$ 90,666	\$ 62,898	\$ 69,957	\$ 55,428	\$ 79,198
ADJUSTED FUNDS FROM OPERATIONS PER SHARE:					
Basic adjusted funds from operations per share	\$ 0.83	\$ 0.57	\$ 0.64	\$ 0.49	\$ 0.69
Diluted adjusted funds from operations per share	<u>\$ 0.83</u>	<u>\$ 0.57</u>	<u>\$ 0.63</u>	<u>\$ 0.49</u>	<u>\$ 0.68</u>

SELECTED FINANCIAL INFORMATION
(Unaudited and amounts in thousands, except per share amounts)

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	For the Three Months Ended March 31, 2011	2010	For the Twelve Months Ended December 31, 2010
Number of days per period	90	90	365
ALL FACILITIES:			
Average available beds	90,037	84,520	86,803
Average compensated occupancy	89.9%	90.5%	90.2%
Total compensated man-days	7,285,140	6,884,079	28,586,444
Revenue per compensated man-day	\$ 58.56	\$ 58.74	\$ 58.36
Operating expenses per compensated man-day:			
Fixed expense	30.73	32.01	30.55
Variable expense	9.47	9.58	9.61
Total	40.20	41.59	40.16
Operating margin per compensated man-day	\$ 18.36	\$ 17.15	\$ 18.20
Operating margin rate	31.4%	29.2%	31.2%
DEPRECIATION AND AMORTIZATION:			
Depreciation expense on real estate	18,225	16,901	70,578
Other depreciation expense	8,864	8,733	35,810
Amortization of negative contract values	(34)	(670)	(2,337)
Depreciation and amortization	\$ 27,055	\$ 24,964	\$ 104,051
FUNDS FROM OPERATIONS:			
Net income	\$ 40,330	\$ 34,906	\$ 157,193
Income tax expense	24,664	21,016	94,297
Income tax refund (paid)	4	(52)	(61,396)
Depreciation and amortization	27,055	24,964	104,051
Depreciation and amortization for discontinued operations	-	234	2,222
Goodwill impairment for discontinued operations	-	-	1,684
Income tax expense (benefit) for discontinued operations	-	451	(253)
Stock-based compensation reflected in G&A expenses	2,377	2,006	8,525
Amortization of debt costs and other non-cash interest	1,066	1,074	4,250
Funds from operations	\$ 95,496	\$ 84,599	\$ 310,573
Maintenance and technology capital expenditures	(4,830)	(5,401)	(43,092)
Adjusted funds from operations	\$ 90,666	\$ 79,198	\$ 267,481
FUNDS FROM OPERATIONS PER SHARE:			
Basic	\$ 0.88	\$ 0.73	\$ 2.77
Diluted	\$ 0.87	\$ 0.73	\$ 2.75
ADJUSTED FUNDS FROM OPERATIONS PER SHARE:			
Basic	\$ 0.83	\$ 0.69	\$ 2.39
Diluted	\$ 0.83	\$ 0.68	\$ 2.37

SELECTED FINANCIAL INFORMATION
(Unaudited and amounts in thousands, except per share amounts)

	For the Three Months Ended March 31, 2011	2010	For the Twelve Months Ended December 31, 2010
MANAGED ONLY FACILITIES:			
Management revenue	\$ 91,016	\$ 78,366	\$ 336,572
Operating expenses:			
Fixed expense	60,852	53,946	222,563
Variable expense	18,847	16,430	72,210
Total	<u>79,699</u>	<u>70,376</u>	<u>294,773</u>
Contribution	<u>\$ 11,317</u>	<u>\$ 7,990</u>	<u>\$ 41,799</u>
Average available beds	<u>26,240</u>	<u>23,371</u>	<u>24,285</u>
Average compensated occupancy	<u>96.1%</u>	<u>95.1%</u>	<u>95.9%</u>
Total compensated man-days	<u>2,268,396</u>	<u>2,001,070</u>	<u>8,499,574</u>
Revenue per compensated man-day	\$ 40.12	\$ 39.16	\$ 39.60
Operating expenses per compensated man-day:			
Fixed expense	26.83	26.96	26.19
Variable expense	8.31	8.21	8.50
Total	<u>35.14</u>	<u>35.17</u>	<u>34.69</u>
Operating margin per compensated man-day	<u>\$ 4.98</u>	<u>\$ 3.99</u>	<u>\$ 4.91</u>
Operating margin rate	<u>12.4%</u>	<u>10.2%</u>	<u>12.4%</u>
OWNED AND MANAGED FACILITIES:			
Management revenue	\$ 335,631	\$ 326,018	\$ 1,331,707
Operating expenses:			
Fixed expense	163,018	166,403	650,772
Variable expense	50,173	49,528	202,476
Total	<u>213,191</u>	<u>215,931</u>	<u>853,248</u>
Contribution	<u>\$ 122,440</u>	<u>\$ 110,087</u>	<u>\$ 478,459</u>
Average available beds	<u>63,797</u>	<u>61,149</u>	<u>62,518</u>
Average compensated occupancy	<u>87.4%</u>	<u>88.7%</u>	<u>88.0%</u>
Total compensated man-days	<u>5,016,744</u>	<u>4,883,009</u>	<u>20,086,870</u>
Revenue per compensated man-day	\$ 66.90	\$ 66.77	\$ 66.30
Operating expenses per compensated man-day:			
Fixed	32.49	34.08	32.40
Variable	10.00	10.14	10.08
Total	<u>42.49</u>	<u>44.22</u>	<u>42.48</u>
Operating margin per compensated man-day	<u>\$ 24.41</u>	<u>\$ 22.55</u>	<u>\$ 23.82</u>
Operating margin rate	<u>36.5%</u>	<u>33.8%</u>	<u>35.9%</u>

ANALYSIS OF OUTSTANDING DEBT

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(Unaudited and amounts in thousands)

	Outstanding Balance 12/31/2010	Outstanding Balance 3/31/2011	Stated Interest Rate	Effective Interest Rate	Maturity Date	Callable/ Redeemable
Fixed Rate:						
\$375.0 Million Senior Notes	\$ 375,000	\$ 375,000	6.25%	6.50%	March 2013	On or prior to March 15, 2008, 35% redeemable at 106.25% with proceeds from equity offerings; on or after March 15, 2009, 100% redeemable at various premium prices until March 15, 2011 at par
\$150.0 Million Senior Notes	150,000	150,000	6.75%	6.99%	January 2014	On or prior to January 31, 2009, 35% redeemable at 106.75% with proceeds from equity offerings; on or after January 31, 2010, 100% redeemable at various premium prices until January 31, 2012 at par
\$465.0 Million Senior Notes	453,602	453,946	7.75%	8.65%	June 2017	On or prior to June 1, 2012, 35% redeemable at 107.75% with proceeds from equity offerings; on or after June 1, 2013, 100% redeemable at various premium prices until June 1, 2015 at par
Total Fixed Rate Debt	<u>978,602</u>	<u>978,946</u>				
Floating Rate:						
Revolving Credit Facility	<u>177,966</u>	<u>133,798</u>	1.56%	1.97%	December 2012	
Grand Total Debt	<u>\$ 1,156,568</u>	<u>\$ 1,112,744</u>	6.34%	6.72%	3.8	

¹⁾ Includes amortization of debt issuance costs, net of debt discounts and premiums.

²⁾ The Company also has \$29.7 million of letters of credit outstanding under a sub-facility reducing the available capacity under the revolving credit facility to \$286.5 million. The Revolving Credit facility currently bears interest at LIBOR plus a margin of 0.75%.

³⁾ Represents the weighted average debt maturity in years.

Debt Maturity Schedule:

Year	Total Debt Maturing	% of Debt Maturing	% of Debt Maturing
2011	-	0.00%	0.00%
2012	133,798	11.91%	11.91%
2013	375,000	33.37%	45.27%
2014	150,000	13.35%	58.62%
2015	-	0.00%	58.62%
Thereafter	465,000	41.38%	100.00%
	<u>\$ 1,123,798</u>	<u>100.00%</u>	
Debt Discount - \$465.0 Million Senior Notes	<u>(11,054)</u>		
	<u>\$ 1,112,744</u>		

SELECTED OPERATING RATIOS
(Unaudited and amounts in thousands, except per share amounts)

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	For the Three Months Ended March 31,		For the Twelve Months Ended December 31,
	2011	2010	2010
<u>COVERAGE RATIOS:</u>			
Interest coverage ratio (Adjusted EBITDA/Interest incurred) (x)	6.1	5.4	5.8
Fixed charge coverage ratio (Adjusted EBITDA/(Interest incurred + Scheduled prin pmts) (x)	6.1	5.4	5.8
Senior debt coverage ratio (Senior debt/Annualized Adjusted EBITDA) (x)	2.5	2.9	2.7
Total debt coverage ratio (Total debt/Annualized Adjusted EBITDA) (x)	2.5	2.9	2.7
Accounts receivable turnover (Annualized revenues/Accounts receivable) (x)	6.1	6.5	5.5
<u>DEBT/EQUITY RATIOS:</u>			
Total debt/Total market capitalization	29.7%	33.5%	29.6%
Total debt/Equity market capitalization	42.2%	50.5%	42.1%
Total debt/Book equity capitalization	75.7%	79.4%	78.6%
Total debt/Gross book value of real estate assets	33.0%	35.1%	34.4%
<u>RETURN ON INVESTMENT RATIOS:</u>			
Annualized return on operating real estate investments (Annualized Adjusted EBITDA/Average operating real estate investments (undepreciated book value)*)	13.1%	12.0%	13.0%
Annualized return on total assets (Annualized Adjusted EBITDA/Average total assets (undepreciated book value)*)	11.7%	10.8%	11.6%
<u>OVERHEAD RATIOS:</u>			
Annualized general & administrative expenses/Average total assets (undepreciated book value)*	2.3%	2.1%	2.3%
General & administrative expenses/Total revenues	5.0%	4.6%	5.0%
<u>INTEREST EXPENSE, NET:</u>			
Interest income from continuing operations	\$ (726)	\$ (613)	\$ (2,269)
Interest incurred	18,168	18,136	73,068
Amortization of debt costs and other non-cash interest	1,066	1,074	4,250
Capitalized interest	(106)	(1,326)	(3,922)
Interest expense, net	<u>\$ 18,402</u>	<u>\$ 17,271</u>	<u>\$ 71,127</u>
<u>EBITDA CALCULATION:</u>			
Net income	\$ 40,330	\$ 34,906	\$ 157,193
Interest expense, net	18,402	17,271	71,127
Depreciation and amortization	27,055	24,964	104,051
Income tax expense	24,664	21,016	94,297
(Income) loss from discontinued operations, net of taxes	-	(734)	404
EBITDA	<u>110,451</u>	<u>97,423</u>	<u>427,072</u>
ADJUSTED EBITDA	<u>\$ 110,451</u>	<u>\$ 97,423</u>	<u>\$ 427,072</u>

*Calculated as a simple average (beginning of period plus end of period divided by 2)

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 3/31/11
Owned and Managed Facilities:								
Central Arizona Detention Center Florence, Arizona	1994, 1998	USMS	2,304	Multi	Detention	Sep-13	(3) 5 year	157.65%
Eloy Detention Center Eloy, Arizona	1995, 1996	ICE	1,500	Medium	Detention	Indefinite	-	98.96%
Florence Correctional Center Florence, Arizona	1999, 2004	USMS	1,824	Multi	Correctional	Sep-13	(3) 5 year	128.68%
La Palma Correctional Center Eloy, Arizona	2008	State of California	3,060	Medium	Correctional	Jun-13	Indefinite	98.71%
Red Rock Correctional Center Eloy, Arizona	2006	State of California	1,596	Medium	Correctional	Jun-13	Indefinite	98.56%
Saguaro Correctional Facility Eloy, Arizona	2007	State of Hawaii	1,896	Medium	Correctional	Jun-11	-	100.66%
California City Correctional Center California City, California	1999	Office of the Federal Detention Trustee	2,304	Medium	Correctional	Sep-25	-	60.03%
San Diego Correctional Facility (E) San Diego, California	1999, 2000	ICE	1,154	Minimum/ Medium	Detention	Jun-11	(4) 3 year	88.88%
Bent County Correctional Facility Las Animas, Colorado	1992, 1997, 2008	State of Colorado	1,420	Medium	Correctional	Jun-11	-	91.48%
Crowley County Correctional Facility Olney Springs, Colorado	1998, 2004	State of Colorado	1,794	Medium	Correctional	Jun-11	-	89.15%
Huerfano County Correctional Center (F) Walsenburg, Colorado	1997	-	752	Medium	Correctional	-	-	0.00%
Kit Carson Correctional Center Burlington, Colorado	1998, 2008	State of Colorado	1,488	Medium	Correctional	Jun-11	-	53.67%
Coffee Correctional Facility (G) Nicholls, Georgia	1998, 1999, 2010	State of Georgia	2,312	Medium	Correctional	Jun-11	(23) 1 year	113.42%
McRae Correctional Facility McRae, Georgia	2000, 2002	BOP	1,524	Medium	Correctional	Nov-11	(1) 1 year	114.09%
Stewart Detention Center Lumpkin, Georgia	2004	ICE	1,752	Medium	Detention	Indefinite	-	93.52%
Wheeler Correctional Facility (G) Alamo, Georgia	1998, 1999, 2010	State of Georgia	2,312	Medium	Correctional	Jun-11	(23) 1 year	113.37%

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 3/31/11
Leavenworth Detention Center Leavenworth, Kansas	1992, 2000, 2004, 2008	USMS	1,033	Maximum	Detention	Dec-11	(3) 5 year	71.76%
Lee Adjustment Center Beattyville, Kentucky	1990	State of Vermont	816	Minimum/ Medium	Correctional	Jun-11	-	56.35%
Marion Adjustment Center St. Mary, Kentucky	1955, 1988	Commonwealth of Kentucky	826	Minimum	Correctional	Jun-11	(1) 2 year	98.21%
Otter Creek Correctional Center (H) Wheelwright, Kentucky	1993	Commonwealth of Kentucky	656	Minimum/ Medium	Correctional	Jun-12	(1) 1 year (1) 2 year	96.96%
Prairie Correctional Facility (I) Appleton, Minnesota	1991	-	1,600	Medium	Correctional	-	-	0.00%
Adams County Correctional Center Adams County, Mississippi	2008	BOP	2,232	Medium	Correctional	Jul-13	(3) 2 year	113.12%
Tallahatchie County Correctional Facility (J) Tutwiler, Mississippi	2000, 2007, 2008	State of California	2,672	Medium	Correctional	Jun-13	Indefinite	98.04%
Crossroads Correctional Center (K) Shelby, Montana	1999	State of Montana	664	Multi	Correctional	Aug-11	(4) 2 year	97.89%
Nevada Southern Detention Center Pahrump, Nevada	2010	Office of the Federal Detention Trustee	1,072	Medium	Detention	Sep-15	(3) 5 year	85.56%
Cibola County Corrections Center Milan, New Mexico	1994, 1999	BOP	1,129	Medium	Correctional	Sep-14	(3) 2 year	104.62%
New Mexico Women's Correctional Facility Grants, New Mexico	1989, 2000	State of New Mexico	596	Multi	Correctional	Jun-13	-	100.96%
Torrance County Detention Facility Estancia, New Mexico	1990, 1997	USMS	910	Multi	Detention	Indefinite	-	80.11%
Northeast Ohio Correctional Center Youngstown, Ohio	1997	BOP	2,016	Medium	Correctional	May-11	(2) 2 year	99.15%
Queensgate Correctional Facility (L) Cincinnati, Ohio	1906	-	850	Medium	-	-	-	0.00%
Cimarron Correctional Facility (M) Cushing, Oklahoma	1997, 2008	State of Oklahoma	1,692	Medium	Correctional	Jun-11	(3) 1 year	38.25%
Davis Correctional Facility (M) Holdenville, Oklahoma	1996, 2008	State of Oklahoma	1,670	Medium	Correctional	Jun-11	(3) 1 year	95.14%
Diamondback Correctional Facility (F) Watonga, Oklahoma	1998, 2000	-	2,160	Medium	Correctional	-	-	0.00%

FACILITY PORTFOLIO

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Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 3/31/11
North Fork Correctional Facility Sayre, Oklahoma	1998, 2007	State of California	2,400	Medium	Correctional	Jun-13	Indefinite	99.18%
West Tennessee Detention Facility Mason, Tennessee	1990, 1996	USMS	600	Multi	Detention	Sep-11	(9) 2 year	82.61%
Shelby Training Center Memphis, Tennessee	1986, 1995	-	200	Secure	-	-	-	0.00%
Whiteville Correctional Facility (N) Whiteville, Tennessee	1998	State of Tennessee	1,536	Medium	Correctional	Jun-11	(1) 1 year	96.91%
Bridgeport Pre-Parole Transfer Facility Bridgeport, Texas	1989	State of Texas	200	Medium	Correctional	Aug-11	-	99.44%
Eden Detention Center Eden, Texas	1990	BOP	1,422	Medium	Correctional	Apr-13	(2) 2 year	108.53%
Houston Processing Center Houston, Texas	1984, 2005	ICE	1,000	Medium	Detention	Mar-12	(2) 1 year	91.06%
Laredo Processing Center Laredo, Texas	1985, 1990	ICE	258	Minimum/ Medium	Detention	Jun-11	-	80.11%
Webb County Detention Center Laredo, Texas	1998	USMS	480	Medium	Detention	Nov-12	(1) 5 year	57.61%
Mineral Wells Pre-Parole Transfer Facility Mineral Wells, Texas	1995	State of Texas	2,103	Minimum	Correctional	Aug-11	-	98.11%
T. Don Hutto Residential Center Taylor, Texas	1997	ICE	512	Non-secure	Detention	Jan-15	Indefinite	95.22%
D.C. Correctional Treatment Facility (O) Washington D.C.	1992	District of Columbia	1,500	Medium	Detention	Mar-17	-	59.41%
Total design capacity for Owned and Managed Facilities (45 Owned and Managed Facilities)			63,797					
Managed Only Facilities:								
Bay Correctional Facility Panama City, Florida	N/A	State of Florida	985	Medium	Correctional	Jul-13	(2) 2 year	99.51%
Citrus County Detention Facility Lecanto, Florida	N/A	Citrus County, FL	760	Multi	Detention	Sep-15	Indefinite	73.51%
Graceville Correctional Facility Graceville, Florida	N/A	State of Florida	1,884	Minimum/ Medium	Correctional	Sep-13	(2) 2 year	99.59%

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 3/31/11
Lake City Correctional Facility Lake City, Florida	N/A	State of Florida	893	Secure	Correctional	Jun-12	Indefinite	99.41%
Moore Haven Correctional Facility Moore Haven, Florida	N/A	State of Florida	985	Minimum/ Medium	Correctional	Jul-13	(2) 2 year	99.49%
North Georgia Detention Center Hall County, Georgia	N/A	ICE	502	Medium	Detention	Mar-14	Indefinite	74.74%
Idaho Correctional Center Boise, Idaho	N/A	State of Idaho	2,016	Multi	Correctional	Jun-14	(2) 2 year	98.24%
Marion County Jail Indianapolis, Indiana	N/A	Marion County, IN	1,030	Multi	Detention	Dec-17	(1) 10 year	99.51%
Winn Correctional Center Winnfield, Louisiana	N/A	State of Louisiana	1,538	Medium/ Maximum	Correctional	Jun-20	-	95.01%
Delta Correctional Facility Greenwood, Mississippi	N/A	State of Mississippi	1,172	Minimum/ Medium	Correctional	Jul-11	-	87.94%
Wilkinson County Correctional Facility Woodville, Mississippi	N/A	State of Mississippi	1,000	Medium	Correctional	Jun-11	(4) 1 year	88.50%
Elizabeth Detention Center Elizabeth, New Jersey	N/A	ICE	300	Minimum	Detention	Sep-11	(4) 3 year	100.00%
Silverdale Facilities Chattanooga, Tennessee	N/A	Hamilton County, TN	1,046	Multi	Detention	Dec-12	-	87.48%
South Central Correctional Center Clifton, Tennessee	N/A	State of Tennessee	1,676	Medium	Correctional	Jun-12	-	96.79%
Metro-Davidson County Detention Facility Nashville, Tennessee	N/A	Davidson County, TN	1,092	Multi	Detention	Jul-14	-	97.82%
Hardeman County Correctional Facility Whiteville, Tennessee	N/A	State of Tennessee	2,016	Medium	Correctional	May-12	(2) 3 year	97.48%
Bartlett State Jail Bartlett, Texas	N/A	State of Texas	1,049	Minimum/ Medium	Correctional	Aug-13	(2) 2 year	99.37%
Bradshaw State Jail Henderson, Texas	N/A	State of Texas	1,980	Minimum/ Medium	Correctional	Aug-13	(2) 2 year	99.21%
Dawson State Jail Dallas, Texas	N/A	State of Texas	2,216	Minimum/ Medium	Correctional	Aug-13	(2) 2 year	98.98%

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 3/31/11
Lindsey State Jail Jacksboro, Texas	N/A	State of Texas	1,031	Minimum/ Medium	Correctional	Aug-13	(2) 2 year	99.44%
Willacy State Jail Raymondville, Texas	N/A	State of Texas	1,069	Minimum/ Medium	Correctional	Aug-13	(2) 2 year	99.92%
Total design capacity for Managed Only Facilities (21 Managed Only Facilities)			<u>26,240</u>					
Total design capacity for All Facilities as of March 31, 2011			<u>90,037</u>					

Expansion and Development Projects and Facility Activations:

Facility Name	Estimated Completion	Potential Customer(s)	Design Capacity (B)	Project Description
Jenkins Correctional Center (G) Millen, Georgia	First quarter 2012	State of Georgia	1,124	New owned facility
Projected Design Capacity For All Facilities			<u>91,161</u>	

Leased Facilities:

Leo Chesney Correctional Center Live Oak, California	1989	Cornell Corrections	240	Minimum	Owned/Leased	Sep-15	-	N/A
Community Education Partners (P) Houston, Texas	N/A	Community Education Partners	-	Non-secure	Owned/Leased	Jun-14	-	N/A

(A) The year constructed represents the initial completion of the facility's construction, as well as significant additions to the facility that occurred at a later date.

(B) Design capacity measures the number of beds, and accordingly, the number of inmates each facility is designed to accommodate. Facilities housing detainees on a short term basis may exceed the original intended design capacity for sentenced inmates due to the lower level of services required by detainees in custody for a brief period. From time to time, we may evaluate the design capacity of our facilities based on the customers using the facilities, and the ability to reconfigure space with minimal capital outlays. We believe design capacity is an appropriate measure for evaluating prison operations, because the revenue generated by each facility is based on a per diem or monthly rate per inmate housed at the facility paid by the corresponding contracting governmental entity.

(C) We manage numerous facilities that have more than a single function (i.e., housing both long-term sentenced adult prisoners and pre-trial detainees). The primary functional categories into which facility types are identified was determined by the relative size of prisoner populations in a particular facility on March 31, 2011. If, for example, a 1,000-bed facility housed 900 adult prisoners with sentences in excess of one year and 100 pre-trial detainees, the primary functional category to which it would be assigned would be that of correction facilities and not detention facilities. It should be understood that the primary functional category to which multi-user facilities are assigned may change from time to time.

(D) Remaining renewal options represents the number of renewal options, if applicable, and the remaining term of each option renewal.

(E) The facility is subject to a ground lease with the County of San Diego whereby the initial lease term is 18 years from the commencement of the contract, as defined. Upon expiration of the lease in December 2015, ownership of the facility automatically reverts to the County of San Diego.

(F) During the first quarter of 2010, we were notified by the state of Arizona of their decision not to renew the management contracts at the Huerfano County Correctional Center upon its expiration on March 8, 2010 and the Diamondback Correctional Facility upon its expiration on May 1, 2010.

(G) The facility is subject to a purchase option held by the Georgia Department of Corrections, or GDOC, which grants the GDOC the right to purchase the facility for the lesser of the facility's depreciated book value, as defined, or fair market value at any time during the term of the contract between us and the GDOC.

(H) The facility is subject to a deed of conveyance with the city of Wheelwright, KY which includes provisions that would allow assumption of ownership by the city of Wheelwright under the following occurrences: (1) we cease to operate the facility for more than two years, (2) our failure to maintain at least one employee for a period of sixty consecutive days, or (3) a conversion to a maximum security facility based upon classification by the Kentucky Corrections Cabinet.

FACILITY PORTFOLIO

Facility Name	Year Constructed (A)	Primary Customer	Design Capacity (B)	Security Level	Facility Type (C)	Term	Remaining Renewal Options (D)	Compensated Occupancy % for the Quarter ended 3/31/11
<p>(I) During December 2009, we announced our decision to cease operations at our Prairie Correctional Facility on or about February 1, 2010 due to low inmate populations at the facility. During 2009, the Prairie facility housed offenders from the states of Minnesota and Washington. However, due to excess capacity in the states' systems, both states removed the populations held at Prairie.</p> <p>(J) The facility is subject to a purchase option held by the Tallahatchie County Correctional Authority which grants Tallahatchie County Correctional Authority the right to purchase the facility at any time during the contract at a price generally equal to the cost of the premises less an allowance for amortization originally over a 20 year period. The amortization period was extended through 2050 in connection with an expansion completed during the fourth quarter of 2007.</p> <p>(K) The State of Montana has an option to purchase the facility generally at any time during the term of the contract with us at fair market value less the sum of a pre-determined portion of per-diem payments made to us by the state of Montana.</p> <p>(L) During December 2008, we were notified by Hamilton County, Ohio of its intent to terminate the lease for the 850-bed Queensgate Correctional Facility. We believe the County elected to terminate the lease effective January 1, 2009, due to funding issues experienced by the County.</p> <p>(M) The facility is subject to a purchase option held by the Oklahoma Department of Corrections, or ODC, which grants the ODC the right to purchase the facility at its fair market value at any time.</p> <p>(N) The state of Tennessee has the option to purchase the facility in the event of our bankruptcy, or upon an operational breach, as defined, at a price equal to the book value, as defined.</p> <p>(O) The District of Columbia has the right to purchase the facility at any time during the term of the contract at a price generally equal to the present value of the remaining lease payments for the premises. Upon expiration of the lease in 2017, ownership of the facility automatically reverts to the District of Columbia.</p> <p>(P) The alternative educational facility is currently configured to accommodate 900 at-risk juveniles and may be expanded to accommodate a total of 1,400 at-risk juveniles.</p>								

DIVERSIFICATION OF REVENUE

(Unaudited and amounts in thousands)

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Customer	Management Revenue For the Three Months Ended March 31, 2011	Percent of Management Revenue For the Three Months Ended March 31, 2011
United States Marshals	\$ 82,760	19.40%
California	60,592	14.20%
Bureau of Prisons	50,430	11.82%
United States Immigration and Customs Enforcement	49,184	11.53%
Texas	22,947	5.38%
Georgia	20,649	4.84%
Tennessee	20,183	4.73%
Florida	19,229	4.51%
Colorado	17,385	4.07%
Hawaii	10,168	2.38%
	<u>\$ 353,527</u>	<u>82.86%</u>
Total Management Revenue	<u>\$ 426,647</u>	<u>100.00%</u>

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Credit Ratings:

	Standard & Poor's	Moody's
Corporate Credit Rating	BB	Not rated
Senior Unsecured Debt	BB	Ba2

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