

## CCA Awarded Contract to Purchase and Operate Lake Erie Correctional Institution in Ohio

September 1, 2011 4:18 PM ET

NASHVILLE, TN, Sep 01, 2011 (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 entered into a contract with the state of Ohio to purchase and operate the 1,798-bed Lake Erie Correctional Institution located in Conneaut, Ohio. The Lake Erie facility is currently managed by another private operator. This contract represents the first contract CCA has had with the state of Ohio.

CCA will purchase the 1,798-bed Lake Erie facility, which was constructed in 1999, for a purchase price of approximately \$73.0 million and expects to invest approximately \$3.1 million in capital improvements.

The management contract, which is expected to commence on January 1, 2012, 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 will be compensated by a per diem rate for operating related services and an Annual Ownership Fee (AOF) for costs associated with the ownership of the facility. On a combined basis operating results will be similar to our owned and managed business segment.

Damon Hininger, president and CEO, stated, "This award is unprecedented in the partnership corrections industry as it represents the first purchase of a correctional facility from a state, which we believe signifies that states are looking for innovative solutions to their budgetary challenges."

Hininger added, "We are excited to start 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. We value the trust the state of Ohio has placed in us and we will work closely with the state of Ohio, the Ohio Department of Rehabilitation and Correction, the Conneaut community and the current operator to ensure a smooth 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 66 facilities, including 45 company-owned facilities, with a total design capacity of approximately 90,000 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 a lawsuit that has been filed challenging the legislation with authorized the pending transaction with the state Ohio (vi) the outcome of California's realignment program and its utilization of out of state private correctional capacity; and (vii) 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